

By Mr. FLOESER:

H. R. 2639. A bill for the relief of William M. Tucker and Nelda M. Tucker; to the Committee on Claims.

By Mr. O'CONNOR:

H. R. 2640. A bill for the relief of Mrs. A. F. Trucano; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

665. By Mr. GREGORY: Petition signed by 155 citizens representing the various churches of Mayfield, Ky., petitioning Congress to act favorably on House bill 2082 and Senate bills 569 and 682, dealing with the prohibiting of the manufacture, sale, and transportation of alcoholic liquors in the United States during the period of war; to the Committee on the Judiciary.

666. By Mr. CUNNINGHAM: Petition of employees of veterans' hospital, Knoxville, Iowa, urging enactment of Federal employees pay-increase bill; to the Committee on the Civil Service.

667. By Mr. GOODWIN: Resolutions adopted by the Commonwealth of Massachusetts, memorializing the President and the Congress of the United States to study and formulate plans for the enforcement of world peace by and through international cooperation and a council of nations; to the Committee on Foreign Affairs.

668. By Mr. LANE: Resolution memorializing the President and the Congress of the United States to enforce world peace; to the Committee on Foreign Affairs.

669. By Mr. GILLIE: Petition of Nell McClure, the Reverend and Mrs. Van B. Wright, and 40 other residents of Fort Wayne, Ind., urging immediate passage of the Bryson bill (H. R. 2082) to prohibit the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

670. By Mr. FELLOWS: Petition of Mrs. Ivan Foss, of Guilford, Maine, and 18 others, urging passage of House bill 2082, a bill to reduce absenteeism and speed production by prohibiting manufacture and sale of intoxicating liquor; to the Committee on the Judiciary.

671. By Mr. SCHIFFLER: Petition of the American Flint Glass Workers Union of North America, Toledo, Ohio, opposing the landing in American markets of foreign competitive goods at less than American cost of production; unalterably opposed to continued authorization for trade treaties unless said authorization provides for congressional approval or Senate ratification that such trade treaties be terminated at the conclusion of the present war or that no provision be made for the entry into American markets of foreign-made competitive goods at less than American cost of production; to the Committee on Foreign Affairs.

672. Also, petition of Dr. J. Russell Bucher and members of the First Church of God of McMechen, W. Va., urging the passage of the Bryson bill (H. R. 2082) to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

673. Also, petition of Mrs. Ira C. Shaffer and members of her affiliation, of Mannington, W. Va., urging the passage of the Bryson bill (H. R. 2082) to reduce absenteeism, conserve manpower, and speed production

of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

674. Also, petition of Rev. Anna B. Potter and members of the First Methodist Church of Newell, W. Va., urging the passage of the Bryson bill (H. R. 2082) to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

## SENATE

THURSDAY, MAY 6, 1943

(Legislative day of Monday, May 3, 1943)

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we thank Thee that our common life on this shrinking sphere which is our home is driving us from self-contained complacency to a vivid sense of comradeship with our brothers everywhere whose future we share. We are grateful for the hard-learned lessons in Thy stern school of discipline, that no nation liveth or aileth to itself, that the deepest facts of humanity are not to be found in any book of geography, that our selfish spite fences shut out more than they shut in, and that upon the East and West, the North and South is the compulsion that the best be shared as good neighbors. We repent of our part in the sins of the social order which are now making nations and races speak to each other through the frightful when the God who is over all meant that they should speak to each other through the beautiful.

Keep us, we beseech Thee, from the seat of arrogance where sit those of whom the Holy Book declares, "They speak peace with their neighbors, but mischief is in their hearts." Above the walls of suspicion and prejudice may we hear a brother's heartbeat across our national borders. May our own attitudes contribute to the warmth of that climate of friendship which shall color every landscape with its magic charm and at last spread its divine tints across all the areas of human life. In the name of our Elder Brother. Amen.

#### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, May 5, 1943, was dispensed with, and the Journal was approved.

#### PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated.

By THE VICE PRESIDENT:

A concurrent resolution of the General Assembly of Delaware; to the Committee on the Judiciary:

#### "Senate Concurrent Resolution 6

"Concurrent resolution memorializing the Congress of the United States to amend the Constitution of the United States, relative to taxes on incomes, gifts, and inheritances; and providing limitations on taxes so levied; and repealing the sixteenth amendment to the Constitution of the United States

"Whereas there is now pending in the current session of the Congress of the United States, proposed legislation to repeal the sixteenth amendment to the Constitution of the United States, and to amend the Constitution of the United States relative to taxes on incomes, gifts, and inheritances; and providing for a limitation of taxes thereon; and

"Whereas the people of the State of Delaware are greatly interested in the passage of such legislation: Now, therefore, be it

"Resolved, by the Senate of the State of Delaware (the House of Representatives concurring therein), That the Congress of the United States be memorialized as follows: That application be and it is hereby made to the Congress of the United States to call a convention for the purpose of proposing the following article as an amendment to the Constitution of the United States:

"SECTION 1. The sixteenth amendment to the Constitution of the United States is hereby repealed.

"Sec. 2. The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration: *Provided*, That in no case shall the maximum rate of tax exceed 25 percent.

"Sec. 3. The maximum rate of any tax, duty, or excise which the Congress may lay and collect with respect to the devolution or transfer of property, or any interest therein, upon or in contemplation of death or intended to take effect in possession or enjoyment at or after death or by way of gift, shall in no case exceed 25 percent.

"Sec. 4. Sections 1 and 2 shall take effect at midnight on the 31st day of December following the ratification of this article. Nothing contained in this article shall affect the power of the United States after said date to collect any tax on incomes for any period ending on or prior to said 31st day of December laid in accordance with the terms of any law then in effect.

"Sec. 5. Section 3 shall take effect at midnight on the last day of the sixth month following the ratification of this article. Nothing contained in this article shall affect the power of the United States to collect any tax on any devolution or transfer occurring prior to the taking effect of section 3 laid in accordance with the terms of any law then in effect; be it further

"Resolved, That the Congress of the United States be, and it hereby is, requested to provide, as the mode of ratification, the said amendment shall be valid to all intents and purposes, as part of the Constitution of the United States, when ratified by the legislatures of three-fourths of the several States; be it further

"Resolved, That the secretary of state be, and he hereby is, directed to send a duly certified copy of this resolution to the Senate of the United States and one to the House of Representatives in the Congress of the United States, and to each Delaware Member thereof.

"Approved by the Governor April 22, 1943."

By Mr. GREEN:

A joint resolution of the General Assembly of Rhode Island; to the Committee on Foreign Relations:

**"House Joint Resolution 857**

**"Joint resolution providing for a declaration of the Federation of the World**

"Whereas it is necessary at the present juncture of human affairs to enlarge the bases of organized society by establishing a government for the community of nations, in order to preserve civilization and enable mankind to live in peace and be free, the following principles and objectives are hereby enunciated in—

**"THE DECLARATION OF THE FEDERATION OF THE WORLD**

"Man, the source of all political authority, is a manifold political being. He is a citizen of several communities: the city, the state, the nation, and the world. To each of these communities he owes inalienable obligations and from each he receives enduring benefits.

"Communities may exist for a time without being incorporated but, under the stress of adversity, they disintegrate unless legally organized. Slowly but purposefully through the centuries, civilization has united the world, integrating its diverse local interests and creating an international community that now embraces every region and every person on the globe. This community has no government, and communities without governments perish. Either this community must succumb to anarchy or submit to the restraints of law and order.

"Governments can only be established through the deliberate efforts of men. At this hour two elemental forces are struggling to organize the international community: totalitarianism and democracy. The former, a recent version of repudiated militarism and tyranny, is predicated upon the principle of compulsion, rules through dictatorship and enslaves men; the latter, a proved bulwark of the rights of man as a human being and as a citizen, derives its authority from the consent of the governed, embodies the will of freemen and renders their collective judgments supreme in human affairs. The cornerstone of totalitarianism is the ethnographic state, whose restricted interests define the scope of its favors; the foundation of democracy is man whose integrity is inviolable and whose welfare is its primary concern. The motivating power of the former is violence; of the latter, freedom. One feeds upon unscrupulous ambition; the other upon an enlightened sense of obligation.

"One or the other of these forces will now triumph and govern mankind. The present conflict is irrepressible and decisive. It is the challenge of the ages to the generation of today, and represents those spiritually cosmic forces which visit the world at critical periods in human history to shape the destinies of men. This world cannot remain half-slave, half-free; half-totalitarian, half-democratic. The laws of civilized society prevent intercourse between slaves and freemen from being either congenial or profitable. If totalitarianism wins this conflict, the world will be ruled by tyrants and individuals will be slaves. If democracy wins, the nations of the earth will be united in a commonwealth of free peoples, and individuals, wherever found, will be the sovereign units of the new world order.

"Man has struggled from time immemorial to endow the individual with certain fundamental rights whose very existence is now imperiled. Among those rights is man's freedom to worship, speak, write, assemble, and vote without arbitrary interference. To safeguard these liberties as a heritage for the human race, governments were instituted among men, with constitutional guarantees against the despotic exercise of political au-

thority, such as are provided by elected parliaments, trial by jury, habeas corpus, and due process of law. Man must now either consolidate his historic rights or lose them for generations to come.

"The ceaseless changes wrought in human society by science, industry, and economics, as well as by the spiritual, social, and intellectual forces which impregnate all cultures, make political and geographical isolation of nations hereafter impossible. The organic life of the human race is at last indissolubly unified and can never be severed, but it must be politically ordained and made subject to law. Only a government capable of discharging all the functions of sovereignty in the executive, legislative, and judicial spheres can accomplish such a task. Civilization now requires laws, in the place of treaties, as instruments to regulate commerce between peoples. The intricate conditions of modern life have rendered treaties ineffectual and obsolete, and made laws essential and inevitable. The age of treaties is dead; the age of laws is here.

"Governments, limited in their jurisdiction to local geographical areas, can no longer satisfy the needs or fulfill the obligations of the human race. Just as feudalism served its purpose in human history and was superseded by nationalism, so has nationalism reached its apogee in this generation and yielded its hegemony in the body politic to internationalism. The first duty of government is to protect life and property, and when governments cease to perform this function, they capitulate on the fundamental principles of their *raison d'être*. Nationalism, moreover, is no longer able to preserve the political independence or the territorial integrity of nations, as recent history so tragically confirms. Sovereignty is an ideological concept without geographical barriers. It is better for the world to be ruled by an international sovereignty of reason, social justice, and peace than by diverse national sovereignties organically incapable of preventing their own dissolution by conquest. Mankind must pool its resources of defense if civilization is to endure.

"History has revealed but one principle by which free peoples, inhabiting extensive territories, can unite under one government without impairing their local autonomy. That principle is federation, whose virtue preserves the whole without destroying its parts and strengthens its parts without jeopardizing the whole. Federation vitalizes all nations by endowing them with security and freedom to develop their respective cultures without menace of foreign domination. It regards as sacrosanct man's personality, his rights as an individual and as a citizen and his role as a partner with all other men in the common enterprise of building civilization for the benefit of mankind. It suppresses the crime of war by reducing to the ultimate minimum the possibility of its occurrence. It renders unnecessary the further paralyzing expenditure of wealth for belligerent activity, and cancels through the ages the mortgages of war against the fortunes and services of men. It releases the full energies, intelligence, and assets of society for creative, ameliorative, and redemptive work on behalf of humanity. It recognizes man's morning vision of his destiny as an authentic potentiality. It apprehends the entire human race as one family, human beings everywhere as brothers, and all nations as component parts of an indivisible community.

"There is no alternative to the federation of all nations except endless war. No substitute for the federation of the world can organize the international community on the basis of freedom and permanent peace. Even if continental, regional, or ideological federations were attempted, the governments of these federations, in an effort to make im-

pregnable their separate defenses, would be obliged to maintain stupendously competitive armies and navies, thereby condemning humanity indefinitely to exhaustive taxation, compulsory military service and ultimate carnage, which history reveals to be not only criminally futile but positively avoidable through judicious foresight in federating all nations. No nation should be excluded from membership in the Federation of the World that is willing to suppress its military, naval, and air forces, retaining only a constabulary sufficient to police its territory and to maintain order within its jurisdiction, provided that the eligible voters of that nation are permitted the free expression of their opinions at the polls.

"It being our profound and irrevocable conviction:

"That man should be forever free and that his historic rights as an individual and as a citizen should be protected by all the safeguards sanctioned by political wisdom and experience.

"That governments are essential to the existence of communities and that the absence of government is anarchy.

"That there exists an international community, encompassing the entire world, which has no government and which is destined, as a consequence of the present war, either to be ruthlessly dominated and exploited by totalitarianism or to be federated by democracy upon the principle of freedom for all nations and individuals.

"That all human beings are citizens of this world community, which requires laws and not treaties for its government.

"That the present conflict will determine the survival of free institutions throughout the world, and that it is morally incumbent upon this generation, as one of the declared objectives of the current war, to federate the nations, in order to make secure, and hereafter unchallenged, freedom for all peoples everywhere, and in order to impart to those who are called to give their lives and fortunes for the triumph of democracy the positive assurance of the incorruptible utility of their sacrifice.

"That world federation is the keystone in the arch of civilization, humanity's charter of liberty for all peoples, and the signet authenticating at last the union of the nations in freedom and peace.

"That the universal ordeal, through which mankind is now passing, marks the birth of a new epoch that will affirm for all time the indestructible solidarity of civilization and the abiding unity of the human race.

"That there are supreme moments in history when nations are summoned, as trustees of civilization, to defend the heritage of the ages and to create institutions essential for human progress. In the providence of God, such a crisis is this hour, compelling in duty and unprecedented in responsibility—a fateful moment when men meet destiny for the fulfillment of historic tasks: Now, therefore, be it

**"Resolved,** That the General Assembly of Rhode Island does hereby solemnly declare that all peoples of the earth should now be united in a commonwealth of nations to be known as the Federation of the World, and to that end it hereby endorses the declaration of the Federation of the World as is specifically set forth in the preamble hereof, and makes said declaration a part of this resolution in the same manner as if same were recited herein, and requests the Senators and Members of the House of Representatives in Congress from the State of Rhode Island to support and vote for a resolution in the Congress of the United States, approving the principle of world federation and requesting the President of the United States to initiate the procedure necessary to formulate a constitution for the Federation of the World, which shall be submitted to

each nation for its ratification; and be it further

"Resolved, That there be selected a territory for the seat of government for the Federation of the World, and that the nation in which the said territory is located be requested to withdraw its jurisdiction over this area and cede it to the Federation of the World for its capital, with all the prerogatives and attributes of sovereignty, in order that there might be built in this area a city symbolic of world unity, adequate for the needs of the nations and worthy of the aspirations and destiny of mankind; and be it further

"Resolved, That a copy of this resolution be sent to each of the Senators and Members of the House of Representatives in Congress from the State of Rhode Island; and be it further

"Resolved, That this resolution be in full force and effect upon and after its ratification.

"Approved by the Governor April 22, 1943."  
By Mr. CAPPER:

A petition of sundry citizens of Abilene, Kans., praying for the enactment of Senate bill 860, relating to the sale of alcoholic liquors to the members of the land and naval forces of the United States; to the Committee on Military Affairs.

#### CONTINUATION OF FARM PROGRAMS— AGRICULTURAL APPROPRIATIONS

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD in connection with my remarks and appropriately referred telegrams which I have received from farmers of North Dakota, from some of the chambers of commerce, and from farmers' union locals, all of them asking the Senate to see to it that the Farm Security Administration and some of the other farm agencies be not abolished, and that the appropriations for them which were eliminated by the House of Representatives be reinstated.

There being no objection, the telegrams were referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

ELGIN, N. DAK., May 6, 1943.

Hon. WILLIAM LANGER,

Senate Office Building,

Washington, D. C.:

Members New Hope Local, Grant County, wish you to put your full support opposing agricultural appropriation bill as passed by House of Representatives. Enlarge appropriations for Farm Security Administration, triple A, and full agricultural program as advocated by National Farmers' Union.

MEMBERS NEW HOPE LOCAL,  
FARMERS' UNION,

By VERN LONIE.

ELGIN, N. DAK., May 5, 1943.

Hon. WILLIAM LANGER,

Senate Office Building,

Washington, D. C.:

Grant County Farmers' Union members and officers unalterably opposed to agricultural appropriation bill as passed by House of Representatives. We demand enlarged and adequate appropriations to continue established agricultural programs. Demand your total support.

GRANT COUNTY FARMERS' UNION,  
GODFREY SCHRIOCK, President.

HEBRON, N. DAK., May 5, 1943.

Hon. WILLIAM LANGER:

One hundred and twenty-eight members Hielborn Farmers' Union ask your support of Agricultural Adjustment Agency and Farm Security Administration.

ERNEST WALTER, Secretary.

SELFRIDGE, N. DAK., May 6, 1943.

Senator WILLIAM LANGER,

Washington, D. C.:

Keep present farm payments and committee system.

ANTON GLASSER,

Solen, N. Dak.

HETTINGER, N. DAK., May 6, 1943.

Hon. WILLIAM LANGER,

Senate Office Building,

Washington, D. C.:

Fight restore all agriculture appropriations.

ADAM COUNTY FARMERS UNION,

ALBERT THORSEN, County Chairman.

E. A. STAFNE, County Secretary.

McINTOSH, S. DAK., May 5, 1943.

Senator WILLIAM LANGER,

Senate Office Building,

Washington, D. C.:

Soil conservation districts vitally interested in preservation triple A as it stands and farm security farmers wondering why Congress scrapping their agencies. They resent sending boys to fight for world that creates Hitlers.

CEDAR SOIL CONSERVATION

DISTRICT, N. DAK.,

JAMES J. MAHER, Chairman.

McINTOSH, S. DAK., May 5, 1943.

Senator WILLIAM LANGER,

Senate Office Building,

Washington, D. C.:

Why scrap triple A farm security? Farmers take interest in Government through their agencies which is basis for democracy.

SIoux COUNTY (N. DAK.) FARMERS UNION.

OLIVER M. DAHL, Secretary.

MINOT, N. DAK., May 5, 1943.

Hon. WILLIAM LANGER,

Senate Office Building,

Washington, D. C.:

We appreciate your good work in behalf of our agricultural program. We urge you to vigorously oppose the agricultural appropriations bill recently passed by the House. Keep up the good fight.

WARD COUNTY FARMERS UNION,

O. C. LANSVERK.

SELFRIDGE, N. DAK., May 6, 1943.

Senator WILLIAM LANGER,

Washington, D. C.:

Present farm program fine. Keep payments and farmer committees.

GEORGE HETTICK.

SUTTON, N. DAK., May 5, 1943.

Senator WILLIAM LANGER,

Washington, D. C.:

Ninety-six dues-paying members of Sutton local Farmers Union request you support the National Farmers Unions' policy regarding appropriation for various farm programs.

SUTTON FARMERS UNION, LOCAL NO. 70.

ART DAFOE, Secretary.

BELFIELD, N. DAK., May 6, 1943.

Senator WILLIAM LANGER,

Washington, D. C.:

We respectfully request that you use your power and influence to the utmost to defeat or amend the agriculture appropriation bill passed by the House which would take the triple A out of the hands of the farmers and eliminate or seriously cripple the present farm program which has meant so much to the farmers in this part of North Dakota. Under present conditions it is imperative that the agricultural program be kept on a steady basis. Conservation on our soil is the foundation of our Nation.

BELFIELD CHAMBER OF COMMERCE.

VALLEY CITY, N. DAK., May 5, 1943.

Senator WILLIAM LANGER,

United States Senate,

Washington, D. C.:

Farmers of North Dakota want the agricultural program continued. Commodity loans and soil-building practices are responsible for better farm incomes. Farm security has assisted many farmers in becoming self-sustaining, capable of taking care of their own families and increasing food production during this emergency period. This organization believes the agricultural program and farm security should not be greatly curtailed.

CIVIC AND COMMERCE ASSOCIATION,  
WILLARD CARLSON, President.

HILLSBORO, N. DAK., May 6, 1943.

Hon. WILLIAM LANGER,

Senate Building, Washington, D. C.:

We urgently ask your support in the fight to maintain the present farm program. We think that if the agriculture appropriation bill is allowed to pass as passed by the House it would be a disaster. In our contact with the farmers of the county all are concerned with the situation and are demanding action to keep and enlarge the present farm program.

Trall County Farmers Union, Orlando

Odegard, Buxton, president; A. C.

Clifford, Kelso, secretary; Arthur

Rygg, Clifford, vice president;

Joseph Amb, Portland, director;

Clarence Anderson, Clifford, director;

Mancur Olson, Buxton, director;

W. B. McNamee, Kelso, director;

Albin Mohn, Buxton, director.

TOLNA, N. DAK., May 3, 1943.

Hon. WILLIAM LANGER,

United States Senator:

In behalf of the farmers of America and the welfare of the Nation as a whole we urgently ask that you use your power and influence to protect and conserve the farm program that has in the past been such a help to small business and a savior to agriculture, namely the Agriculture Adjustment Act, Farm Security Administration, Regional Agricultural Credit Corporation, Federal Crop Insurance Program. We urgently ask you to vote to provide funds to continue these programs.

Laval Farmers' Union Local, C. C. Haas,

chairman, John Schindele, secretary;

Dayton Farmers' Union Local,

Oliver Twete, vice chairman,

L. S. Johnson, secretary; Ford

Farmers' Union Local, Theo Quam,

chairman, F. Frede Jackson, secretary;

Farmers' Union Oil Co., Tolna,

N. Dak., A. Pare, president;

Farmers' Union Elevator Co., Tolna,

N. Dak., J. N. Johnson, secretary.

#### REPORT OF COMMITTEE ON MILITARY AFFAIRS

The following report of a committee was submitted:

By Mr. HILL, from the Committee on Military Affairs:

S. 676. A bill to amend an act entitled "An act to provide for the use of the American National Red Cross in aid of the land and naval forces in time of actual or threatened war"; with an amendment (Rept. No. 218).

#### BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TYDINGS:

S. 1033. A bill for the relief of William E. Seidewitz; to the Committee on Claims.

By Mr. WHEELER:

S. 1084. A bill to amend section 27 of the act of May 18, 1916 (39 Stat. 159), an act making appropriations for the Bureau of Indian Affairs for the fiscal year ending June 30, 1917; to the Committee on Indian Affairs.

By Mr. MEAD:

S. 1085. A bill for the relief of the city of New York; to the Committee on the Judiciary.

By Mr. WALSH:

S. 1086. A bill to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel and certain Federal civil employees for personal property lost or damaged as a result of the hurricane and flood at Parris Island, S. C., on August 11-13, 1940," approved April 23, 1941; to the Committee on Naval Affairs.

By Mr. ELLENDER:

S. 1087. A bill for the relief of Burton S. Radford; to the Committee on Claims.

(Mr. THOMAS of Utah introduced Senate Joint Resolution 56, which was referred to the Committee on Foreign Relations, and appears under a separate heading.)

#### PARTICIPATION BY THE UNITED STATES IN EFFECTING A JUST AND LASTING PEACE

Mr. THOMAS of Utah. Mr. President, I ask consent to introduce for proper reference a joint resolution relating to the participation of the United States in the establishment of a just and lasting peace. I also request that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution (S. J. Res. 56) relating to the participation of the United States in the establishment of a just and lasting peace was read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Whereas the Congress and the President of the United States have demonstrated that this Government intends to utilize to the fullest extent the military and economic resources of the United States and its possessions in the prosecution of the war, and to cooperate fully with the members of the United Nations in the war effort; and

Whereas a spirit of international cooperation has been evidenced by many acts of the Congress and of the Government in the past and more recently by the establishment of a reciprocal trade-agreements program, by the Lend-Lease Act of March 11, 1941, and its continuance, by the joint resolution of April 10, 1941, reaffirming the Monroe Doctrine, by the recent ratification of the treaty relinquishing extraterritorial rights in China, and by the increasing participation of our armed forces in the war in various parts of the world; and

Whereas the interests of this Government in the establishment of a just and lasting peace are so manifest: Therefore be it

Resolved, etc., That it is the sense of the Congress that the people of the United States and of the United Nations should have the utmost confidence that the United States will utilize all of its resources to bring the war to a speedy and successful conclusion, and will cooperate fully with other nations in establishing and preserving a just and lasting peace and in establishing such organizations as may be necessary to suppress any future attempt at military aggression by any nation.

#### CIVILIAN SUPPLY ADMINISTRATION—AMENDMENT

Mr. TAFT submitted an amendment intended to be proposed by him to the bill (S. 885) to establish a Civilian Supply Administration, and for other purposes, which was ordered to lie on the table and to be printed.

#### CIVILIAN SUPPLY ADMINISTRATION

The Senate resumed the consideration of the bill (S. 885) to establish a Civilian Supply Administration, and for other purposes.

The VICE PRESIDENT. The pending question is on agreeing to the committee amendment.

Mr. BARKLEY. Mr. President, it will be necessary to take a recess for 15 or 20 minutes in a little while. The Senator from Connecticut [Mr. MALONEY] desires to make a connected statement on the bill under consideration, and it would probably be disadvantageous for him to begin now. So, if there is any further routine morning business any Senator desires to transact or any desultory remarks to be made, we might occupy a few minutes doing that.

Mr. THOMAS of Oklahoma. There is an appropriation bill on which a few minutes could be spent.

Mr. BARKLEY. I think we had better have a quorum before doing anything.

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll and the following Senators answered to their names:

Aiken	Gerry	Radcliffe
Ball	Gillette	Reed
Bankhead	Green	Revercomb
Barbour	Gurney	Reynolds
Barkley	Hawkes	Robertson
Bone	Hayden	Russell
Bridges	Hill	Scrugham
Brooks	Holman	Shipstead
Buck	Johnson, Colo.	Stewart
Burton	La Follette	Taft
Bushfield	Langer	Thomas, Idaho
Butler	Lodge	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capper	McFarland	Tobey
Caraway	McKellar	Truman
Chandler	McNary	Tunnell
Chavez	Maloney	Tydings
Clark, Idaho	Maybank	Vandenberg
Clark, Mo.	Mead	Van Nuys
Connally	Millikin	Wagner
Danaher	Moore	Walsh
Davis	Murdock	Wheeler
Eastland	Murray	Wherry
Ellender	O'Daniel	White
Ferguson	Overton	Wiley
George	Pepper	Wilson

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. GLASS], and the Senator from South Carolina [Mr. SMITH] are absent from the Senate because of illness.

The Senator from California [Mr. DOWNEY] is absent on business for the Special Committee to Investigate Labor Shortages.

The Senator from West Virginia [Mr. KILGORE] and the Senator from Washington [Mr. WALLGREN] are out of the city conducting hearings on behalf of the Special Committee to Investigate National Defense.

The Senator from North Carolina [Mr. BAILEY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

The Senator from Mississippi [Mr. BILBO] and the Senator from New Mexico [Mr. HATCH] are detained on important public business.

The Senator from Nevada [Mr. McCARRAN] is absent conducting hearings in the West on behalf of the Senate.

Mr. McNARY. The Senator from Vermont [Mr. AUSTIN], the Senator from Maine [Mr. BREWSTER], and the Senator from North Dakota [Mr. NYE] are necessarily absent.

The Senator from California [Mr. JOHNSON] is absent because of illness.

The Senator from Indiana [Mr. WILLIS] has been called from the city because of the death of a very dear friend.

The PRESIDING OFFICER (Mr. LUCAS in the chair). Seventy-eight Senators have answered to their names. A quorum is present.

#### METALLURGY—ADDRESS BY SENATOR HOLMAN

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD an address by him on the subject of metallurgy which appears in the Appendix.]

#### STRIKES IN DEFENSE INDUSTRIES

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD an editorial entitled "It Couldn't Happen Anywhere Else" published in the Argus, of Seattle, Wash., issue of May 1, 1943, and an article from the same publication under the headline "The stroller," which appear in the Appendix.]

#### TRIBUTE TO THE LATE LT. GEN. FRANK MAXWELL ANDREWS

[Mr. HILL asked and obtained leave to have printed in the RECORD an editorial tribute to the late Lt. Gen. Frank Maxwell Andrews, published in the Washington (D. C.) Post of Thursday, May 6, 1943, which appears in the Appendix.]

#### LEWIS AGAINST NATION—EDITORIAL FROM MEMPHIS COMMERCIAL APPEAL

[Mr. EASTLAND asked and obtained leave to have printed in the RECORD an editorial entitled "Lewis Against Nation," published in the Commercial Appeal, of Memphis, Tenn., of May 4, 1943, which appears in the Appendix.]

#### UNVEILING OF PORTRAIT OF THOMAS WILSON DORR—ADDRESS BY SENATOR GREEN

[Mr. BALL asked and obtained leave to have printed in the RECORD an address delivered by Senator GREEN on May 4, 1943, on the occasion of the unveiling of a portrait of Thomas Wilson Dorr in the Rhode Island State House in Providence, which appears in the Appendix.]

#### INTERFERENCE BY LABOR LEADERS IN CONSTRUCTION OF PIPE LINE

[Mr. O'DANIEL asked and obtained leave to have printed in the RECORD an advertisement, a news article, and an editorial, each pertaining to the subject of interference with the construction of pipe lines, published in the Cape Girardeau Southeast Missourian, which appear in the Appendix.]

# DECISION OF THE UNITED STATES SUPREME COURT ON FREEDOM OF THE PRESS AND FREEDOM OF RELIGION

Mr. SHIPSTEAD. Mr. President, a year ago the Supreme Court of the United States rendered a decision involving the rights of freedom of the press and freedom of religion, and in a case coming up from a lower court by a majority of one vote upheld a law which provided that a municipality or a State had the right to license the distribution of literature, in this case pamphlets of a religious character. At the session of the Court last Monday, in connection with a similar case, the Court took the opposite view by a majority of one.

In the decision a year ago the Court held that the power to license and tax the distribution of literature, even of a religious character, inhered in the States and the municipalities, to enable them to prevent disorder. In other words, the maintenance of law and order in a community was taken away from the police department and vested in a commission, or city council, giving them the authority, by State law, to license and tax in order that they might be able to prohibit the distribution of printed matter.

Mr. President, a year ago, when the Court rendered an opinion directly opposite to that rendered last Monday, I was so shocked and surprised that I thought I ought to call the attention of the public at that time to that remarkable decision. I now ask unanimous consent to have the statement which I then made to the press a year ago printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SHIPSTEAD FLAYS COURT RULING AS MOB CONFESSION—HITS DECISION AGAINST SECT FOR PEDDLING WITHOUT LICENSE

Senator HENRIK SHIPSTEAD, Republican, of Minnesota, declared yesterday that the Supreme Court decision on the Jehovah's Witnesses case limits the freedom of speech, press, and religion, and licenses the freedom of the mob wherever it desires to interfere with those freedoms.

The Supreme Court on Monday upheld convictions of Jehovah's Witnesses, a religious sect, for peddling without a license.

## LIMITS FREEDOMS

Senator SHIPSTEAD issued a statement declaring:

"The Supreme Court has held in this case, by a decision of 5 to 4, that the exercise of free speech, free press, and religious freedom may be limited by legislative bodies 'to times, places, and methods not at odds with the preservation of peace and good order.'"

"This can now be done through the power to license and tax."

"The power to license is the power to regulate and prohibit. The power to prohibit and tax is the power to destroy."

"The specific constitutional guaranty of freedom of speech, the press, and religion is by this decision limited to that of other human activities, the freedom of exercise of which is not so specifically guaranteed in the Constitution."

## "FREEDOM OF THE MOB"

"The free exercise of these three freedoms can therefore be prevented by bigots and mobs by simply creating disorder."

"This is licensing the freedom of the mob wherever it desires to interfere with freedom of speech, religion, and the press."

Mr. SHIPSTEAD. Mr. President, I wish to point out that these provisions of the Bill of Rights are in jeopardy—and they are in jeopardy even when the Supreme Court of the United States will uphold them by a majority of merely one vote. A year ago, as I have said, the Supreme Court took the opposite position from that now taken by the Court, and did so by a majority of only one vote. So when we have off-again on-again decisions by the Supreme Court on a matter so vital as this, and particularly in such times as the present, I think the Congress of the United States and the American people ought to take cognizance of the jeopardy in which the Bill of Rights finds itself in the present day. As I have said, the Court has now reversed its previous decision.

I ask unanimous consent to have printed in the RECORD, as a part of my remarks, the prevailing decision of the Supreme Court rendered during the present session of the Court, on last Monday, May 3, 1943. The majority opinion was delivered by Mr. Justice Douglas, and it was concurred in by Chief Justice Stone, Mr. Justice Rutledge, Mr. Justice Black, and Mr. Justice Murphy.

The dissenting opinion was delivered by Mr. Justice Reed and it was concurred in by Mr. Justice Roberts, Mr. Justice Frankfurter, and Mr. Justice Jackson.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

Mr. Justice Douglas delivered the opinion of the Court.

The city of Jeannette, Pa., has an ordinance some 40 years old which provides, in part:

"That all persons canvassing for or soliciting within said borough orders for goods, paintings, pictures, wares, or merchandise of any kind, or persons delivering such articles under orders so obtained or solicited, shall be required to procure from the burgess a license to transact said business and shall pay to the treasurer of said borough therefor the following sums, according to the time for which said license shall be granted:

"For 1 day, \$1.50; for 1 week, \$7; for 2 weeks, \$12; for 3 weeks, \$20: *Provided*, That the provisions of this ordinance shall not apply to persons selling by sample to manufacturers or licensed merchants or dealers doing business in said borough of Jeannette."

Petitioners are Jehovah's Witnesses. They went about from door to door in the city of Jeannette distributing literature and soliciting people to "purchase" certain religious books and pamphlets, all published by the Watch Tower Bible & Tract Society.<sup>1</sup> The "price" of the books was 25 cents each, the "price" of the pamphlets 5 cents each.<sup>2</sup> In

<sup>1</sup> Two religious books—*Salvation and Creation*—were sold. Others were offered in addition to the Bible. The Watch Tower Bible & Tract Society is alleged to be a nonprofit charitable corporation.

<sup>2</sup> Petitioners paid 3 cents each for the pamphlets and, if they devoted only their spare time to the work, 20 cents each for the books. Those devoting full time to the work acquired the books for 5 cents each. There

connection with these activities, petitioners used a phonograph,<sup>3</sup> on which they played a record expounding certain of their views on religion. None of them obtained a license under the ordinance. Before they were arrested each had made "sales" of books. There was evidence that it was their practice in making these solicitations to request a "contribution" of 25 cents each for the books and 5 cents each for the pamphlets, but to accept lesser sums or even to donate the volumes in case an interested person was without funds. In the present case some donations of pamphlets were made when books were purchased. Petitioners were convicted and fined for violation of the ordinance. Their judgments of conviction were sustained by the Superior Court of Pennsylvania (149 Pa. Sup. Ct. 175, 27 Atl. 2d 666) against their contention that the ordinance deprived them of the freedom of speech, press, and religion guaranteed by the first amendment. Petitions for leave to appeal to the Supreme Court of Pennsylvania were denied. The cases are here on petitions for writs of certiorari, which we granted along with the petitions for rehearing of *Jones v. Opelika* (316 U. S. 584) and its companion cases.

The first amendment, which the fourteenth makes applicable to the States, declares that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press. \* \* \*". It could hardly be denied that a tax laid specifically on the exercise of those freedoms would be unconstitutional. Yet the license tax imposed by this ordinance is in substance just that.

Petitioners spread their interpretations of the Bible and their religious beliefs largely through the hand distribution of literature by full or part-time workers.<sup>4</sup> They claim to follow the example of Paul, teaching "publicly, and from house to house." Acts 20:20. They take literally the mandate of the Scriptures, "Go ye into all the world, and preach the gospel to every creature." Mark 16:15. In doing so they believe that they are obeying a commandment of God.

The hand distribution of religious tracts is an age-old form of missionary evangelism—as old as the history of printing presses.<sup>5</sup> It has been a potent force in various religious movements down through the years.<sup>6</sup> This form of evangelism is utilized today on a large scale by various religious sects whose colporteurs carry the Gospel to thousands upon thousands of homes and seek through personal visitations to win adherents to their

was evidence that some of the petitioners paid the difference between the sales price and the cost of the books to their local congregations which distributed the literature.

<sup>3</sup> Purchased along with the record from the Watch Tower Bible & Tract Society.

<sup>4</sup> The nature and extent of their activities throughout the world during the years 1939 and 1940 are to be found in the 1941 Yearbook of Jehovah's Witnesses, pp. 62-243.

<sup>5</sup> Palmer, *The Printing Press and the Gospel* (1912).

<sup>6</sup> White, *The Colporteur Evangelist* (1930); *Home Evangelization* (1850); Edwards, *The Romance of the Book* (1932) c. V; 12 *Biblical Repository* (1844) Art. VIII; 16 *the Sunday Magazine* (1887) pp. 43-47; 3 *Mellora* (1861) pp. 311-319; Felice, *Protestants of France* (1853) pp. 53, 513; 3 *D'Aubigne, History of the Reformation* (1849) pp. 103, 152, 433-437; Report of Colportage in Virginia, North Carolina, and South Carolina, *American Tract Society* (1855). An early type of colporteur was depicted by John Greenleaf Whittier in his legendary poem, *the Vaudois Teacher*. And see, Wylie, *History of the Waldenses*.

faith.<sup>7</sup> It is more than preaching; it is more than distribution of religious literature. It is a combination of both. Its purpose is as evangelical as the revival meeting. This form of religious activity occupies the same high estate under the first amendment as do worship in the churches and preaching from the pulpits. It has the same claim to protection as the more orthodox and conventional exercises of religion. It also has the same claim as the others to the guarantees of freedom of speech and freedom of the press.

The integrity of this conduct or behavior as a religious practice has not been challenged. Nor do we have presented any question as to the sincerity of petitioners in their religious beliefs and practices, however misguided they may be thought to be. Moreover, we do not intimate or suggest in respecting their sincerity that any conduct can be made a religious rite and by the zeal of the practitioners swept into the first amendment. *Reynolds v. United States* (98 U. S. 145, 161-167) and *Davis v. Beason* (133 U. S. 333) denied any such claim to the practice of polygamy and bigamy. Other claims may well arise which deserve the same fate. We only hold that spreading one's religious beliefs or preaching the gospel through distribution of religious literature and through personal visitations is an age-old type of evangelism with as high a claim to constitutional protection as the more orthodox types. The manner in which it is practiced at times gives rise to special problems with which the police power of the States is competent to deal. See for example *Cox v. New Hampshire* (312 U. S. 569) and *Chaplinsky v. New Hampshire* (315 U. S. 568). But that merely illustrates that the rights with which we are dealing are not absolutes. *Schneider v. State* (308 U. S. 147, 160-161). We are concerned, however, in these cases merely with one narrow issue. There is presented for decision no question whatsoever concerning punishment for any alleged unlawful acts during the solicitation. Nor is there involved here any question as to the validity of a registration system for colporteurs and other solicitors. The cases present a single issue—the constitutionality of an ordinance which as construed and applied requires religious colporteurs to pay a license tax as a condition to the pursuit of their activities.

The alleged justification for the exaction of this license tax is the fact that the religious literature is distributed with a solicitation of funds. Thus it was stated

<sup>7</sup> The General Conference of Seventh-day Adventists who filed a brief amicus curiae on the reargument of *Jones v. Opelika* has given us the following data concerning their literature ministry: This denomination has 83 publishing houses throughout the world issuing publications in over 200 languages. Some 9,256 separate publications were issued in 1941. By printed and spoken word the Gospel is carried into 412 countries in 824 languages. 1942 Year Book, page 287. During December 1941 a total of 1,018 colporteurs operated in North America. They delivered during that month \$97,997.19 worth of Gospel literature and for the whole year of 1941 a total of \$790,610.36—an average per person of about \$65 per month. Some of these were students and temporary workers. Colporteurs of this denomination receive half of their collections from which they must pay their traveling and living expenses. Colporteurs are specially trained and their qualifications equal those of preachers. In the field each worker is under the supervision of a field missionary secretary to whom a weekly report is made. After 15 years of continuous service each colporteur is entitled to the same pension as retired ministers. And see Howell, *The Great Advent Movement* (1935), pages 72-75.

in *Jones v. Opelika*, *supra*, page 597, that when a religious sect uses "ordinary commercial methods of sales of articles to raise propaganda funds," it is proper for the State to charge "reasonable fees for the privilege of canvassing." Situations will arise where it will be difficult to determine whether a particular activity is religious or purely commercial. The distinction at times is vital. As we stated only the other day in *Jamison v. Texas* (318 U. S. —), "The State can prohibit the use of the street for the distribution of purely commercial leaflets, even though such leaflets may have 'a civil appeal, or a moral platitude' appended. *Valentine v. Christensen* (316 U. S. 52, 55). They may not prohibit the distribution of handbills in the pursuit of a clearly religious activity merely because the handbills invite the purchase of books for the improved understanding of the religion or because the handbills seek in a lawful fashion to promote the raising of funds for religious purposes." But the mere fact that the religious literature is "sold" by itinerant preachers rather than "donated" does not transform evangelism into a commercial enterprise. If it did, then the passing of the collection plate in church would make the church service a commercial project. The constitutional rights of those spreading their religious beliefs through the spoken and printed word are not to be gaged by standards governing retailers or wholesalers of books. The right to use the press for expressing one's views is not to be measured by the protection afforded commercial handbills. It should be remembered that the pamphlets of Thomas Paine were not distributed free of charge. It is plain that a religious organization needs funds to remain a going concern. But an itinerant evangelist however misguided or intolerant he may be, does not become a mere book agent by selling the Bible or religious tracts to help defray his expenses or to sustain him. Freedom of speech, freedom of the press, freedom of religion are available to all, not merely to those who can pay their own way. As we have said, the problem of drawing the line between a purely commercial activity and a religious one will at times be difficult. On this record it plainly cannot be said that petitioners were engaged in a commercial rather than a religious venture. It is a distortion of the facts of record to describe their activities as the occupation of selling books and pamphlets. And the Pennsylvania court did not rest the judgments of conviction on that basis, though it did find that petitioners "sold" the literature. The Supreme Court of Iowa in *State v. Mead* (230 Iowa 1217), described the selling activities of members of this same sect as "merely incidental and collateral" to their "main object which was to preach and publicize the doctrines of their order." And see *State v. Meredith* (197 S. C. 351); *People v. Barber* (289 N. Y. 378, 385-386). That accurately summarizes the present record.

We do not mean to say that religious groups and the press are free from all financial burdens of government. See *Grosjean v. American Press Co.* (297 U. S. 233, 250). We have here something quite different, for example, from a tax on the income of one who engages in religious activities or a tax on property used or employed in connection with those activities. It is one thing to impose a tax on the income or property of a preacher. It is quite another thing to exact a tax from him for the privilege of delivering a sermon. The tax imposed by the city of Jeannette is a flat license tax, the payment of which is a condition of the exercise of these constitutional privileges. The power to tax the exercise of a privilege is the power to control or suppress its enjoyment. *Magnano Co. v. Hamilton* (292 U. S. 40, 44-45), and cases cited. Those who can tax the exercise of this religious practice can make its exercise so costly as to deprive

it of the resources necessary for its maintenance. Those who can tax the privilege of engaging in this form of missionary evangelism can close its doors to all those who do not have a full purse. Spreading religious beliefs in this ancient and honorable manner would thus be denied the needy. Those who can deprive religious groups of their colporteurs can take from them a part of the vital power of the press which has survived from the Reformation.

It is contended, however, that the fact that the license tax can suppress or control this activity is unimportant if it does not do so. But that is to disregard the nature of this tax. It is a license tax—a flat tax imposed on the exercise of a privilege granted by the Bill of Rights. A State may not impose a charge for the enjoyment of a right granted by the Federal Constitution. Thus, it may not exact a license tax for the privilege of carrying on interstate commerce (*McGoldrick v. Berwind-White Co.* (309 U. S. 33, 53-58)), although it may tax the property used in, or the income derived from, that commerce, so long as those taxes are not discriminatory. *Idem*, page 47, and cases cited. A license tax applied to activities guaranteed by the first amendment would have the same destructive effect. It is true that the first amendment, like the commerce clause, draws no distinction between license taxes, fixed sum taxes, and other kinds of taxes. But that is no reason why we should shut our eyes to the nature of the tax and its destructive influence. The power to impose a license tax on the exercise of these freedoms is indeed as potent as the power of censorship which this Court has repeatedly struck down (*Lovell v. Griffin* (303 U. S. 444); *Schneider v. State*, *supra*; *Cantwell v. Connecticut* (310 U. S. 296, 306); *Largent v. Texas* (218 U. S. —); *Jamison v. Texas*, *supra*). It was for that reason that the dissenting opinions in *Jones v. Opelika*, *supra*, stressed the nature of this type of tax (316 U. S. pp. 607-609, 620, 623). In that case, as in the present ones, we have something very different from a registration system under which those going from house to house are required to give their names, addresses, and other marks of identification to the authorities. In all of these cases the issuance of the permit or license is dependent on the payment of a license tax. And the license tax is fixed in amount and unrelated to the scope of the activities of petitioners or to their realized revenues. It is not a nominal fee imposed as a regulatory measure to defray the expenses of policing the activities in question.<sup>8</sup> It is in no way apportioned. It is a flat license tax levied and collected as a condition to the pursuit of activities whose enjoyment is guaranteed by the first amendment. Accordingly, it remains in advance those constitutional liberties of press and religion and inevitably tends to suppress their exercise. That is almost uniformly recognized as the inherent vice and evil of this flat license tax. As stated by the supreme court of Illinois in a case involving this same sect and an ordinance similar to

<sup>8</sup> The constitutional difference between such a regulatory measure and a tax on the exercise of a Federal right has long been recognized. While a State may not exact a license tax for the privilege of carrying on interstate commerce (*McGoldrick v. Berwind-White Co.*, *supra*, pp. 56-58) it may, for example, exact a fee to defray the cost of purely local regulations in spite of the fact that those regulations incidentally affect commerce. "So long as they do not impede the flow of commerce and are not made the subject of regulation by Congress they are not forbidden." *Clyde Mallory Lines v. Alabama* (296 U. S. 261, 267), and cases cited. And see *South Carolina v. Barnwell Bros., Inc.* (303 U. S. 177, 185-188).

the present one, a person cannot be compelled "to purchase, through a license fee or a license tax, the privilege freely granted by the Constitution" (*Blue Island v. Kozul* (379 Ill. 511, 519)). So it may not be said that proof is lacking that these license taxes either separately or cumulatively have restricted or are likely to restrict petitioners' religious activities. On their face they are a restriction of the free exercise of those freedoms which are protected by the first amendment.

The taxes imposed by this ordinance can hardly help but be as severe and telling in their impact on the freedom of the press and religion as the "taxes on knowledge" at which the first amendment was partly aimed (*Grosjean v. American Press Co.*, *supra*, pp. 244-249). They may indeed operate even more subtly. Itinerant evangelists moving throughout a State or from State to State would feel immediately the cumulative effect of such ordinances as they become fashionable. The way of the religious dissenter has long been hard. But if the formula of this type of ordinance is approved, a new device for the suppression of religious minorities will have been found. This method of disseminating religious beliefs can be crushed and closed out by the sheer weight of the toll or tribute which is exacted town by town, village by village. The spread of religious ideas through personal visitations by the literature ministry of numerous religious groups would be stopped.

The fact that the ordinance is "nondiscriminatory" is immaterial. The protection afforded by the first amendment is not so restricted. A license tax certainly does not acquire constitutional validity because it classifies the privileges protected by the first amendment along with the wares and merchandise of hucksters and peddlers and treats them all alike. Such equality in treatment does not save the ordinance. Freedom of press, freedom of speech, freedom of religion are in a preferred position.

It is claimed, however, that the ultimate question in determining the constitutionality of this license tax is whether the State has given something for which it can ask a return. That principle has wide applicability. *State Tax Commission v. Aldrich* (316 U. S. 174), and cases cited. But it is quite irrelevant here. This tax is not a charge for the enjoyment of a privilege or benefit bestowed by the State. The privilege in question exists apart from State authority. It is guaranteed the people by the Federal Constitution.

Considerable emphasis is placed on the kind of literature which petitioners were distributing—its provocative, abusive, and ill-mannered character and the assault which it makes on our established churches and the cherished faiths of many of us. See *Douglas v. City of Jeannette*, concurring opinion, decided this day. But those considerations are no justification for the license tax which the ordinance imposes. Plainly a community may not suppress, or the State tax, the dissemination of views because they are unpopular, annoying, or distasteful. If that device were ever sanctioned, there would have been forged a ready instrument for the suppression of the faith which any minority cherishes but which does not happen to be in favor. That would be a complete repudiation of the philosophy of the Bill of Rights.

Jehovah's Witnesses are not "above the law." But the present ordinance is not directed to the problems with which the police

power of the State is free to deal. It does not cover, and petitioners are not charged with, breaches of the peace. They are pursuing their solicitations peacefully and quietly. Petitioners, moreover, are not charged with or prosecuted for the use of language which is obscene, abusive, or which incites retaliation. Cf. *Chaplinsky v. New Hampshire*, *supra*. Nor do we have here, as we did in *Cox v. New Hampshire*, *supra*, and *Chaplinsky v. New Hampshire*, *supra*, State regulation of the streets to protect and insure the safety, comfort, or convenience of the public. Furthermore, the present ordinance is not narrowly drawn to safeguard the people of the community in their homes against the evils of solicitations. See *Cantwell v. Connecticut*, *supra*, 306. As we have said, it is not merely a registration ordinance calling for an identification of the solicitors so as to give the authorities some basis for investigating strangers coming into the community. And the fee is not a nominal one, imposed as a regulatory measure and calculated to defray the expense of protecting those on the streets and at home against the abuses of solicitors. See *Cox v. New Hampshire*, *supra*, pp. 576-577. Nor can the present ordinances survive if we assume that it has been construed to apply only to solicitation from house to house.<sup>10</sup> The ordinance is not narrowly drawn to prevent or control abuses or evils arising from that activity. Rather, it sets aside the residential areas as a prohibited zone, entry of which is denied petitioners unless the tax is paid. That restraint and one which is city-wide in scope (*Jones v. Opelika*) are different only in degree. Each is an abridgment of freedom of press and a restraint on the free exercise of religion. They stand or fall together.

The judgment in *Jones v. Opelika* has this day been vacated. Freed from that controlling precedent, we can restore to their high, constitutional position the liberties of itinerant evangelists who disseminate their religious beliefs and the tenets of their faith through distribution of literature. The judgments are reversed and the causes are remanded to the Pennsylvania Superior Court for proceedings not inconsistent with this opinion.

Reversed.

The dissent in *Jones v. City of Opelika* covers these cases also.

A true copy.

Test:

Clerk, Supreme Court, United States.

VISIT TO THE SENATE BY HIS EXCELLENCY, GEN. ENRIQUE PENARANDA, PRESIDENT OF THE REPUBLIC OF BOLIVIA

MR. BARKLEY. Mr. President, as I announced yesterday, the President of the Republic of Bolivia will, within a few moments, visit the Chamber of the Senate as our guest. I therefore ask unanimous consent that the Vice President appoint a committee of four to greet the President of Bolivia, and to escort him into the Chamber; and I ask that the Senate stand in recess, subject to the call of the Chair.

THE VICE PRESIDENT. Without objection, it is so ordered.

THE CHAIR appoints the Senator from Kentucky [Mr. BARKLEY], the Senator

from Oregon [Mr. McNARY], the Senator from Texas [Mr. CONNALLY], and the Senator from Kansas [Mr. CAPPER] as the committee to greet the President of Bolivia and to escort him into the Chamber.

Pursuant to the unanimous-consent agreement, the Senate will now stand in recess, subject to the call of the Chair.

The Senate being in recess, at 12 o'clock and 30 minutes p. m.,

HIS EXCELLENCY, GEN. ENRIQUE PENARANDA, President of Bolivia, escorted by the committee appointed by the Vice President, consisting of Mr. BARKLEY, Mr. McNARY, Mr. CONNALLY, and Mr. CAPPER, preceded by the Secretary of the Senate, Edwin A. Halsey, and the Sergeant at Arms, Wall Doxey, entered the Chamber and took the place assigned him on the rostrum in front of the Vice President's desk.

The members of the party accompanying the President of Bolivia, including His Excellency, Dr. Thomas Manuel Elio, Minister of Foreign Affairs of Bolivia; His Excellency, Señor Dr. Don Luis Fernando Guachalla, Ambassador of Bolivia; the Honorable Pierre de L. Boal, American Ambassador to Bolivia; His Excellency, Gen. David Toro, former President of Bolivia; His Excellency, Señor Don Enrique Finot, Bolivian Ambassador to Mexico; His Excellency, Señor Dr. Gabriel Gonsalvez, Ambassador; Gen. Felipe M. Rivera, Minister Plenipotentiary; the Honorable Señor Don Jorge del Castillo, Minister Plenipotentiary; the Honorable Señor Don Jorge de la Barra, Minister Plenipotentiary, Director of Protocol; Señor Alfonso Crespo, Subsecretary of the Presidency; Señor Guillermo Elio, private secretary to the Foreign Minister; Señor Jorge Penaranda Castillo, private secretary to the President; Brig. Gen. James H. Walker, United States Army, military aide; Capt. Albert S. Schrader, United States Navy, naval aide; Col. Oscar Moscoso, Military and Air Attaché, Bolivian Embassy; and Mr. Stanley Woodward, Assistant Chief, Division of Protocol, Department of State, entered the Chamber, and were escorted to the seats assigned them to the left of the Vice President's desk.

THE VICE PRESIDENT. Members of the Senate, ladies, and gentlemen, the President of Bolivia, Gen. Enrique Penaranda, will now address you.

[Applause, Senators and occupants of the galleries rising.]

ADDRESS BY THE PRESIDENT OF BOLIVIA

Señor Presidente, señoras y señores, also honor es para el Presidente que habla, ingresar a este santuario de las libertades americanas.

Creed que mi emoción es sincera, porque veo en vosotros, señores legisladores, la representación y esencia del pueblo americano y porque al dirigirme a vosotros sé que es también al pueblo americano a quien hablo.

Aprecio pues debidamente el homenaje que ello significa y os lo agradezco en nombre de mi país, que poco sería decir en el mío propio.

<sup>10</sup> That is the view of most State courts which have passed on the question. *McConkey v. Fredericksburg* (179 Va. 556); *State v. Greaves* (112 Vt. 222); *People v. Banks* (168 Misc. 515). Contra: *Cook v. Harrison* (180 Ark. 546).

<sup>10</sup> The Pennsylvania Superior Court stated that the ordinance has been enforced only to prevent petitioners from canvassing "from door to door and house to house" without a license and not to prevent them from distributing their literature on the streets. 149 Pennsylvania Superior Court, page 184.

El Parlamento Americano se ha destacado siempre con relieves singulares en el panorama histórico y político de esta gran Nación. Significa esencialmente el poder soberano del pueblo y hoy en especial, representa para el Mundo, no sólo la manifestación objetiva de este poder, sino garantía cierta de que todos los hombres libres—dentro y fuera de los Estados Unidos—hallarán siempre en vosotros a esforzados defensores del Derecho.

Sois asimismo, ejemplo de ese admirable equilibrio que permite resguardar toda la majestad de un poder soberano, celoso de sus fueros y respetuoso al tiempo, de los límites de su propia investidura.

Es precisamente en tan armoniosa coordinación que radica la grandeza de vuestros empeños democráticos, la seguridad de los ciudadanos y su igualdad ante la ley.

Soy yo, a mi vez, representante de una República que ostenta legítima tradición democrática, en cuyos orígenes vibró purísimo el sentimiento que la Revolución Francesa y la de vuestros gloriosos antepasados acababan de esparcir por el mundo.

Proclamada Nación independiente, Bolivia en su primer Congreso de 1825, debió luchar contra obstáculos materiales que, en veces, hicieron dudar a los hombres de poca fe, sobre el futuro de sus destinos. Empero, pasadas las turbulentas manifestaciones de una evidente crisis de adaptación, pudo constatarse cuan fuerte y arraigada era esa conciencia democrática boliviana. En los momentos más aciagos de su historia, Bolivia, por obra de sus propios hijos, albergó esperanzas y vióse renacer en su Parlamento y Asambleas Constituyentes.

Y es que la luz de esa conciencia republicana, jamás se había extinguido y, por el contrario, ardía con más brillo, vencidas las sombras de un instante.

Y sigue irradiando sus destellos luminosos—acaso más luminosos que nunca—en horas de tribulación como las presentes. En circunstancias en que la solidez de las convicciones democráticas ha sido puesta a prueba, puedo declarar con orgullo que Bolivia, ha reafirmado las suyas con vigor y decisión inalterables. A ello obedece que, en la lucha sin cuartel en que estáis empeñados, mi país haya contribuido a vuestra causa con el aporte íntegro de sus riquezas materiales y de su solidaridad moral.

Contóse Bolivia entre los primeros países que rompieron relaciones diplomáticas con el Eje. Transcurren sólo unos pocos días desde que mi Gobierno declaró el estado de guerra contra las potencias del Pacto Tripartito, impulsado por su fervor democrático y en un esfuerzo por hacer aun más activa su colaboración material y moral a las Naciones Unidas.

Al hallarme entre vosotros, legisladores de la democracia más poderosa y también más ecuaníme, no puedo ocultaros la inquietud de mi espíritu.

Nos encontramos en un alto del camino, enfrentando a la agresión y al atropello. Nuestros más caros ideales se

hallan amenazados y sombríos temores obscurecen el futuro de la humanidad.

Luchamos pues en defensa de esos ideales. Bajo tan noble bandera se cobijan esos vuestros soldados que hoy pelean y vencen o mueren por ellos, y a quienes anima, acaso más que la fuerza material, el convencimiento de la causa justa que sostienen. Por eso el triunfo será de ellos, señores Representantes.

Pero, si ardua y heroica es la tarea de aquellos guerreros, no lo es menos la que espera a los legisladores de América. De sus deliberaciones de hoy dependerán las decisiones de la hora, ya cercana, en que la justicia volverá a ser impuesta y reinará nuevamente, entre los hombres de buena voluntad, la paz de Nuestro Señor.

La jornada que vivimos, es trascendente. Acaso se asemeja a esa otra de nuestra iniciación republicana, pródiga en manifestaciones de unión y fraternidad. Pero los parlamentos de nuestro Continente trabajan aislados y sin contacto. Hasta ahora hemos vivido en esta "grande isla que es América," sin conocernos, y tal vez sólo nos ha salvado la identidad de nuestros ideales democráticos.

Iniciada felizmente una era de intercambio político, cultural y económico de proporciones crecientes, corresponde a los Parlamentos del Nuevo Mundo—mediante una unión Interparlamentaria Americana—fortalecer los lazos de comprensión y amistad, dando preeminencia en la relación internacional de nuestros países, a los legisladores de América.

Es por el pueblo y para el pueblo que somos Gobierno. Corresponde pues al pueblo decidir de sus destinos, buscando inspiración en la conciencia que Dios ha puesto en cada ser y que surge purísima cuando en la tierra brillan, triunfantes, la Libertad y la Justicia.

[Prolonged applause, Senators, distinguished visitors, and occupants of the galleries rising.]

The English translation of the address of the President of the Republic of Bolivia is as follows:

Mr. President, Members of the Senate of the United States, it is indeed a great honor for me to come into this shrine of American liberties.

I assure you that I am sincerely moved, because I consider you the true representatives of the American people, and know that through you I am speaking to them. I am grateful, therefore, for this honor, and I thank you in the name of my country as well as in my own.

The Congress of the United States has always played a significant role in the historic and political life of this great Nation. It stands, essentially, for the sovereign power of the people, and today especially it symbolizes to the world at large not only the objective manifestation of that power, but a real assurance that all freemen—within and without the United States—will find in its midst staunch defenders of justice and right.

This Congress is the best example of that admirable system of checks and balances which makes it possible to safeguard and preserve a sovereign power

that is zealous of its rights and at the same time respectful of the limitations of its own privileges.

It is to such a harmonious balance of powers that we may trace the origin of your democratic institutions, the security of your citizens, and their prized equality before the law.

I, too, represent a republic that is proud of its genuine democratic tradition; a republic whose birth was influenced by the lofty ideals that your own War of Independence and the French Revolution had just spread throughout the world.

No sooner was Bolivia's independence proclaimed, than the Nation was forced to struggle, in its first Congress of 1825, against material obstacles that at times caused men of little faith to lose confidence in the future. However, once those turbulent manifestations of a period of transition were over, it was evident that the Bolivian democratic consciousness was strong and deep-rooted. In the darkest days of her history, Bolivia, thanks to her own people, kept hope alive, and saw new life come to the Nation through its Parliament and its constituent assemblies.

It had to be so, because the flame of Bolivia's republican spirit had never been extinguished; rather, it burned brighter, once the momentary shadows had been dispelled.

That light keeps shining today, perhaps brighter than ever. In dark moments like the present, when the strength and the wisdom of democratic convictions have been questioned, I am proud to say that Bolivia has reaffirmed her faith with unfaltering confidence and determination. As a result, my country has offered to you the sum total of her resources and her support in the vital struggle in which you are now engaged.

Bolivia was one of the first nations to break diplomatic relations with the Axis, and only a few days ago, moved by democratic fervor and the desire to make its material and moral collaboration with the United Nations even more effective, it declared the existence of a state of war with the Axis Powers.

As I face you, the lawmakers of the most powerful democracy, I cannot but recognize the solemnity of the moment.

We have come to a halt in the road. We are fighting aggression and violence. Our most cherished ideals are threatened, and somber fears darken the outlook for the future of humanity.

We are fighting to defend those ideals. Your soldiers have made them their battle cry, and are struggling bravely to win or die for them. Perhaps, even more than material strength, it is their conviction of the justice of their cause that keeps them marching forward. That is why victory shall be theirs.

Yet, hard and heroic though the task of those warriors may be, no less hard and heroic a task awaits the lawmakers of America. Their deliberations today will determine the decisions to be made at the hour, already near, when justice is restored, and when peace once again reigns among men of good will.

This is, indeed, a most significant moment. There is something in it that recalls the days of our republican infancy, when there were so many evidences of unity and fraternity. But today the parliaments of our continent are isolated—without contact. Until now we have lived in this "great island, America," without knowing each other. Perhaps our only bond has been the identity of our democratic ideals.

Now that an era of closer political, cultural, and economic interchange has, fortunately, been initiated, it is the task of the lawmaking bodies of the New World to strengthen our ties of friendship and understanding by playing an ever-increasing role in the external relations of our countries. This could be accomplished through an American interparliamentary union.

We are governments of the people and by the people. It is for the people, therefore, to decide the future by seeking inspiration in the conscience with which God has endowed every human being, and which finds its purest expression when liberty and justice shine triumphant upon the earth.

Following his address, the President of Bolivia and the distinguished visitors accompanying him were escorted from the Chamber.

At 12 o'clock and 42 minutes p. m., the Senate reassembled, when it was called to order by the Presiding Officer [Mr. LUCAS].

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1936) to provide for the expansion of facilities for hospitalization of dependents of naval and Marine Corps personnel, and for other purposes.

The message also announced that the House had agreed to the amendment of the Senate to the amendment of the Senate No. 5 to the joint resolution (H. J. Res. 115) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1860) to provide for the payment of overtime compensation to Government employees, and for other purposes.

#### ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 1860. An act to provide for the payment of overtime compensation to Government employees, and for other purposes;

H. R. 1936. An act to provide for the expansion of facilities for hospitalization of dependents of naval and Marine Corps personnel and for other purposes; and

H. J. Res. 115. Joint resolution making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for other purposes.

#### CIVILIAN SUPPLY ADMINISTRATION

The Senate resumed the consideration of the bill (S. 885) to establish a civilian supply administration, and for other purposes.

Mr. MALONEY. Mr. President, the bill now under consideration, Senate bill 885, which would establish a civilian supply administration, comes to the Senate primarily as a result of the efforts of the Small Business Committee of the Senate. Some time ago the chairman of the Small Business Committee [Mr. MURRAY] appointed the distinguished Senators from Ohio and Nevada [Mr. TAFT and Mr. SCRUGHAM] and myself to give special attention to this all-important subject. Thereafter the Senator from Ohio, the Senator from Nevada, and I drafted what came to be Senate bill 885, and only because I introduced it in the Senate did it come to be known as the Maloney bill. Actually the bill was prepared by the members of the subcommittee to which I have just referred.

The bill was thereafter referred to the Committee on Banking and Currency of the Senate, of which, it so happens, all the members of the aforementioned subcommittee are members.

We held lengthy hearings on the bill. All those who expressed the desire to be heard were heard. Prentiss Brown, of the Office of Price Administration, appeared and testified in favor of the bill. William Jeffers, Rubber Director, appeared and testified for the bill. Representatives of the Congress of Industrial Organizations appeared and testified for the bill, and subsequently the American Federation of Labor, by way of a letter, expressed itself in sympathy with the proposal. Representatives of the various businesses of the country, including the great food interests, representatives of service organizations, and representatives of some other organizations appeared over a period of weeks, and it seemed to me that there was represented at those hearings a majority of the American people.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. McNARY. I do not wish to interfere with the Senator's statement, but I have a question to propound. The Senator is more familiar with the record than am I. I should like to know if those representatives appeared in behalf of the objectives or declared policy of the bill, or whether they appeared in behalf of the creation of a new agency?

Mr. MALONEY. As I understood the testimony, at least all of those whom I have mentioned, appeared in favor of the principles of the bill. Some of them said they were 100 percent for it as it was. I should like to point out that thereafter, after the hearings had been concluded, a largely attended meeting of the Committee on Banking and Currency rewrote the bill to a consider-

able extent, endeavoring to meet the suggestions and objections which had been voiced during the hearing. I should like to add that after that had been done the bill had the unanimous approval of the Committee on Banking and Currency of the Senate.

Mr. President, the bill is not intended to seek more for the civilian at the expense of our military forces. It is not designed to offer competition to the Army and Navy. As a matter of fact, it is pretty much intended to protect the armed forces of our country.

Neither is the bill an indictment of the War Production Board or the Chairman of the Board, Mr. Nelson. Its purpose is to give the civilian population of the United States—120,000,000 people or more—a voice and a vote at the conference table, and thereafter, if the need arises, the right of appeal to the Director of Economic Stabilization. What is wrong with that? Is that more than the right of Americans?

For more than 16 months our country has been directly engaged in a war that has become the most bitter and most devastating conflict in the history of the world. Our Army has already become the largest in the history of our Nation, and by the end of this year will have increased to staggering proportions. Men of our Army, Navy, and Marine Corps are now fighting on more fronts than any of us would have dreamed possible a little while ago.

We have come to describe this war by a phrase previously unknown in the annals of military science—"total war."

What is the meaning of the phrase? Is it a total war because it has spread to all the continents? Not at all.

In my opinion, the phrase has a different meaning. The essence of a total war lies in the aggressive mobilization of all our resources, all our materials, all our machinery, and all our manpower in an effort to destroy our enemies.

In other words, it is a war in which all of us, men and women, are called upon to augment the fighting of our armed forces and those of our allies. The total effort takes in the energy of those in the factories, shipyards, and mines, and on the farms. It includes those who supply the guns, planes, ships, and tanks, and the food and clothing that are needed to destroy the enemy. This is a war that must also be waged by the farmers who raise our crops, the miners who produce our materials, the operators who drill for oil, the producers of all the essential commodities needed by our civilian population as well as by our armed forces, the wholesalers and retailers who provide our citizens with food, clothing, fuel, and drugs, and the service establishments that wash our laundry and repair our shoes.

This principle was recognized at the outset of the war by the President when, immediately after Pearl Harbor, he said, "We are now in this war. We are all in it all the way."

This principle is recognized by our military strategists, who well recall the fact that the collapse of Germany in 1918

was brought on more by a disruption of supplies to Germany's home front than by any setbacks on the field of battle. A good example of how this principle has been put into operation is the recent bombing raid on Germany in which the R. A. F. dropped not bombs, but counterfeited rationing cards for the purpose of disrupting the distribution of Germany's meager food supply among its hungry civilians.

This principle is recognized by the military strategists of the Nazis. An example which we can all appreciate is that of the German submarine campaign in our coastal waters against tankers carrying fuel oil to our northern States.

Unfortunately this principle, recognized by our President, our allies, and our enemies, is not yet understood by some of those in charge of organizing our home front.

In theory we have a War Production Board at the top of the economic, industrial, and production pyramid in the war effort. The powers of this Board have become something for scholars to trace through a maze of orders and directives.

It is proper and desirable that there should be differences of opinion, and that they should be fully discussed. It is, however, neither proper nor desirable that the various czars and directors should be able to stand adamant on their opinions. We are now being treated to the spectacle of the highest executives in our war production effort publicly accusing each other of hurting the war effort, and carrying a dispute almost to the point of a complete impasse. It has been necessary for a committee of the Senate to sit and hear these men give vent to their grievances and air their confusion.

We all know that there should be a proper forum and a proper authority before whom these conflicts can be fully explored in an orderly procedure, and with a decorum befitting the stature of the parties involved. It is neither fitting to a great nation, nor is it conducive to efficient administration of the war effort, to decide issues of major importance in a hair-pulling contest.

Before Pearl Harbor, when our main occupation with the war was to send supplies to other countries fighting against Hitler, the home front took care of itself. We had ample resources available for civilian production and civilian distribution. In fact, one of our principal jobs was to divert some of these resources toward direct production of the implements of war.

After Pearl Harbor, however, it became evident that our direct military requirements would eventually encompass all the resources which could possibly be made available for our armed forces and our allies. It became abundantly clear that the demands of a global war are almost without limit, that everything which could be hurled against the enemy would be needed. Logically, that was the time to start active planning for the needs of our civilian population. That was the time to plan the use of our vast resources in such a fashion that our civilian population would have all goods and services which it needed to produce

the supplies for our armed forces and our allies. That was the time to integrate the home front with the battle front.

But it was not done. Our administrators were preoccupied—and perhaps necessarily so—with working out the new and difficult job of computing military requirements and converting industries to war production. By December 7, 1942, however, 1 year after Pearl Harbor, we still lacked a plan for integrating the home front with the battle front. On that day, Mr. Donald Nelson, Chairman of the War Production Board, made a public statement in which he declared that our country was now entering the period of total mobilization. Yet, on that day the War Production Board had no master plan for meeting the needs of the civilian population. It is doubtful that it had even attempted to develop such a plan.

Today, more than 4 months later, there is still no master plan for meeting the essential needs of the civilian population. Within the War Production Board the Office of Civilian Supply has had no authority except to send advisory memoranda to people who are too often not interested in considering its advice. True, a new Director of Civilian Supply has been appointed, and he has been named a vice chairman of the War Production Board. Yet the very name of the Office of Civilian Supply, as it now exists within the War Production Board, is a hollow mockery.

The present function of the Office of Civilian Supply, as conceived by the Chairman of the War Production Board, is to produce a selected group of statistics on civilian requirements. I say selected advisedly. It has not even the function of estimating civilian requirements for food, since that is within the province of the Food Administrator. It has not had even the function of estimating the civilian requirements for manpower.

A much more fundamental fault of the present set-up is that the War Production Board's Office of Civilian Supply is not a claimant agency for the civilian population. Even if it had a master plan of civilian needs, or even if it should at some time in the future develop a plan of civilian needs, it has no power whatsoever to administer such a plan. It has no power to go before the Food Administrator and get the food that is needed for civilian activities. Although it can go before the War Production Board to obtain materials and facilities, this function is limited to an exceedingly narrow sphere.

I can best explain this situation by a quotation from the Banking and Currency Committee hearing held on March 24 on S. 885, the civilian supply bill.

Senator BALL. Is not your agency a claimant agency which builds up available supplies of critical materials? In other words, you are the claimant agency for all requests, are you not?

Mr. WEINER. At the present time we are claimant agency for some civilian requirements. But we are not sure from day to day what those requirements are for which we are claimants, because, generally speaking, we are claimants for what others are not

claimants for. Since that varies considerably, we have difficulty finding out from day to day what others are claimants for, so we can catch up the slack.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. LODGE. Under the Senator's proposal would the agency which he would create have supervision over the functions which are now being performed by the O. P. A., and the Food Administrator's office, as well as the Petroleum Administrator's office?

Mr. MALONEY. Not at all. Under the bill—and I shall return to the Senator's question later—the Civilian Supply Administrator, would make claim against the Food Administrator and the other agencies on behalf only of the civilian population.

Mr. LODGE. So he still would be competing within the War Production Board with the other agencies making claims? Is that correct?

Mr. MALONEY. No; he would not be competing at all but he would be the sole claimant for the civilian population. He would be charged only with the responsibility of making claims for the civilian population.

I continue to read from the committee hearings:

Senator BALL. But you represent most civilian claimants, do you not?

Mr. WEINER. I would say offhand as to direct and indirect civilian claimants, there are 8 claimants before the Requirements Committee. We represent most of the general items, but if I might cite an example, in the case of a repair part for a compressed-air pump, in a gas station, we are responsible. For a repair part for a fuel pump, Mr. Ickes is responsible. And to go forward similarly with things on the ordinary farm, a simple item like pipes, or fittings, if it is for one piece of equipment for the barn, it is ours, but if it is for a truck, that is for the Secretary of Agriculture; and if it is for a highway vehicle, that is for the Office of Defense Transportation, and if it is a part for an off-the-highway vehicle, that is for the Secretary of Agriculture, and so on.

The CHAIRMAN. Who makes that division?

Mr. WEINER. It is partially made, to a slight extent, I would say by the Executive orders creating different agencies. But the most of it has been done by the War Production Board, evidently.

Furthermore, even if we had a plan, and even if we had a real civilian claimant agency, there is now no provision whatsoever for the administration of an integrated program. It appears that outside of the President there is no single administrator who can make a final decision for the allocation of resources for civilian needs. If insufficient manpower is provided for essential civilian activities, there is nothing that the present Office of Civilian Supply can do about it. When enough manpower is provided for an essential civilian activity, there is no guaranty that there will be sufficient fuel for the factory or store that gets the workers, or sufficient repair parts for the machinery used by the workers, or sufficient food for the workers to eat.

The consequences of this chaotic situation are already abundantly apparent. Entire sections of the country have already suffered from acute and

unpredicted shortages of meat, fuel, and other necessities. In congested war areas, where more and more women are pouring into the factories, essential laundries have been forced to close down because of the lack of repair and operating supplies, thus contributing to absenteeism and lowered morale.

Yet we have really not yet felt the results of the chaotic civilian supply situation. We have been getting along on our existing stocks of civilian goods and our existing reserves of manpower available for civilian use. By the end of this year, however, these stocks and these reserves will be gone. Our margin for error will have disappeared.

By the end of this year, unless drastic measures are promptly taken, we face a break-down on the home front that will threaten the prosecution of the war. Our factories may produce more than enough of some civilian goods, but they will turn out far less than enough of others. While labor for civilian production may be available in some areas, materials will be lacking. In other areas, materials will be available and labor will be lacking. In others, materials, labor, and fuel will all be available but our civilian production lines will be broken for the lack of minor repair parts.

Unless effective planning is instituted immediately, even though civilian goods are produced in sufficient quantities, the goods may never get where they are needed. Smaller stores and stores in farming and rural areas, remote regions, and new communities, will all lose out in the struggle for a share of available supplies because of an overloaded transportation system. There may be hours, days, weeks, and months when civilian goods cannot be moved in sufficient quantities to or from crowded areas. This is a particular danger in industrial communities where too complete a diversion of facilities and manpower to war production may destroy local sources of civilian supply and create an overdependence on goods imported from other areas. Unless we act now to put our house in order, small business in the civilian field—and about 95 percent of all American small business concerns are engaged in civilian production, distribution, or service activities—will find its stocks depleted. The profit reserve that may have been built up during the earlier days of the defense program will be melted away. Thousands upon thousands of smaller manufacturers, retailers, wholesalers, and others—the essential as well as the nonessential, the established operator as well as the fly-by-night—may be wiped out of existence.

The enactment of the bill that is now before us will be the first step toward the proper organization of the home front. I say the first step because there is a second step of great importance, the proper administration of the act.

What does this bill provide?

I can summarize it very briefly.

First, it establishes a national policy for the home front. Let me quote:

The Congress hereby declares that the total mobilization of all the Nation's re-

sources is necessary for the successful prosecution of the war, that keeping the civilian population healthy and functioning is essential to the successful prosecution of the war, and that it is the policy of the Nation to guarantee the production and distribution of the goods and services necessary to keep the civilian population healthy and functioning effectively in order that such civilian population can produce and distribute what is required by our armed forces and allies to win the war.

Moreover, since the majority of small business is engaged in civilian activities, the bill sets forth—

that it is the policy of the Nation to mobilize the capacities and resources of all small business concerns in the production and distribution of goods and services for the civilian population.

Second, the bill sets up a Civilian Supply Administration within the Office for Emergency Management as an independent claimant agency on behalf of 125,000,000 Americans. As a claimant agency, it has powers and responsibilities—and this is important—similar to those of already existing claimant agencies such as the War Department, Navy Department, Lend-Lease Administration, Board of Economic Warfare, and the Office of Foreign Relief and Rehabilitation. Under this proposed legislation the Civilian Supply Administrator will draw up a master plan of what is needed for the civilian population—not only of the food, clothing, shelter, fuel, and other finished products, but also of the manpower, materials, and other resources necessary to produce essential civilian products. Then, on the basis of this master plan, he will go before the Government agencies that divide the existing supply of resources—that is before the War Production Board for materials and facilities, the War Manpower Commission for labor, the Office of Defense Transportation for transportation, the Food Administrator for food, and so forth. He will sit as an equal at the conference table. Of the resources allocated for civilian use he will try to see that a proper amount goes into the production of alarm clocks, that a proper amount for the production of ice boxes, and a proper amount for the distribution of groceries. He will try to conserve such resources by eliminating nonessential uses and by stimulating utilization of substitutes. Moreover, he is given the responsibility of obtaining proper distribution of civilian goods and services. Subject to the approval of the Economic Stabilization Director, he will determine the need for rationing and when and where rationing shall be instituted—a power that is now in the hands of the War Production Board and the Food Administrator, but which is essential to the operation of a Civilian Supply Agency. The Civilian Supply Administrator would not actually administer rationing but could delegate the administration to the Office of Price Administration. Moreover, he will determine policies on inventory control and allocation programs in the field of wholesale and retail distribution.

Mr. TAFT. Mr. President, will the Senator yield for a moment?

Mr. MALONEY. I yield.

Mr. TAFT. I do not understand who would delegate that power to the Price Administrator.

Mr. MALONEY. You are correct, it would remain there.

Mr. TAFT. And he would simply assume the functions now performed by the War Production Board or the Food Administrator in directing the Price Administrator?

Mr. MALONEY. That is correct.

Mr. TAFT. The Price Administrator today has no power to act except as conferred upon him by these boards?

Mr. MALONEY. That is correct; and perhaps "delegate" was an inappropriate word to use.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. OVERTON. Am I correct in my understanding of the bill that if the Civilian Administrator comes to the conclusion that there were not sufficient resources placed under his control and command to enable him to carry out the purposes of the proposed act, and he is unable to obtain such resources, he could go to the Navy and War Departments and obtain a part of the resources which would otherwise be used for military and naval purposes?

Mr. MALONEY. He would not go to the Army or Navy at all, let me say to the Senator. The Army and Navy themselves are claimant agents. He would go to the War Production Board if he desired to obtain materials which would be used by the Army and Navy.

Mr. OVERTON. If the Army and Navy stated that they desired certain materials, could those materials be taken away from them under the provisions of the bill by the Economic Stabilization Director or anyone else?

Mr. MALONEY. Rather than answer yes or no, I should like to explain to the Senator how it would work. The claimant agencies, the Army and Navy, would appear before the War Production Board and explain the needs and requirements of the Army and Navy. The Senator understands that their requirements include not only guns and tanks and ships and planes, but food and clothing and fuel and all the other thousands of items necessary to the maintenance of our civilian economy and necessary for the health and welfare of our people. As they were dividing up or allocating the materials which were available, the Civilian Supply Administrator would say, "I need so much for the civilian population; they must have so much meat in order to work and to enable them to produce the guns and tanks and planes; they must have so much food; they must have so many pairs of shoes; they must have so much of this, that, or the other thing;" and the War Production Board then would say, "We cannot allow you that amount or we can allow you only half of that amount." If the Civilian Supply Administrator felt that the curtailment was too severe, that the limitation was too great, he would, under the bill, have a right to appeal to the Economic Stabilization Director, whose decision would be final. The other claimant

agencies or the War Production Board would, of course, as is now the case, have the right to appeal to the President.

Mr. OVERTON. That would apply to steel, for instance, and to lumber?

Mr. MALONEY. Yes; that is entirely correct.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. MALONEY. I yield to the Senator from Massachusetts.

Mr. LODGE. I wanted to ask whether any objection to this bill has been raised by the Army and Navy?

Mr. MALONEY. Insofar as I am aware, no objection has ever been raised by the Army and Navy, and I should suppose that the Army and Navy would heartily support this proposal, because I think it would be helpful to their program. Personally, I feel that they should welcome it.

Mr. LODGE. Because it would enable them to share in the pie. Is that it?

Mr. MALONEY. The authors and sponsors of the bill and the Committee on Banking and Currency of the Senate are all agreed, there was unanimous agreement, I think all those interested are agreed, that the Army and the Navy should be first, that the civilian population should come second, probably a close second. I do not know; perhaps lease-lend should be second, perhaps foreign rehabilitation should be second, perhaps the need of aid to South America should be second, but somewhere in the picture come the American people, and the representative provided for in the bill would be concerned only with the needs of the American people and the appeal in their behalf.

I personally cannot see any reason for an objection to the proposal. It is the responsibility of the Congress, in the last analysis, to protect and provide for those people whom we here represent, and we do not have, and up to now they do not have, a representative at the table to which I have just referred, and the bill merely gives us a representative, along with these numerous other claimant agencies, some of which are almost entirely responsible to populations beyond the seas. We just want to move into that company, we want a place at that table.

Mr. MURDOCK. Mr. President—The PRESIDING OFFICER (Mr. McFARLAND in the chair). Does the Senator from Connecticut yield to the Senator from Utah?

Mr. MALONEY. I yield.

Mr. MURDOCK. In line with the questions asked by the distinguished Senator from Louisiana and the explanation made by the distinguished Senator from Connecticut, when the Civilian Administrator felt that he was being curtailed too much, let us say, on a claim in which the Army was interested, as against the Civilian Administrator, as I understood the Senator, he then would have a right of appeal to the Stabilization Director. Is that correct?

Mr. MALONEY. That is correct.

Mr. MURDOCK. During the period while the appeal was pending what would happen?

Mr. MALONEY. Nothing would happen.

Mr. MURDOCK. Nothing would happen; that is correct.

Mr. MALONEY. Let me make sure that the Senator understands me. Nothing unusual would happen; things would go along in their regular way, under the authority and power of the War Production Board.

Mr. MURDOCK. Let us see if they would. If the Civilian Administrator, who is to be provided for under the proposed act, had the right of appeal to the Stabilization Director, then, as I understand the bill, no decision, even if it involved the supplying of the Army or the Navy, could be made, except by the Stabilization Director.

Mr. MALONEY. The Senator could not be farther wrong than he is in that instance.

Mr. MURDOCK. I should like to have the Senator explain to me, then, what would happen when the Civilian Administrator was dissatisfied, and appealed to the Stabilization Director. What would happen then?

Mr. MALONEY. The Civilian Supply Administrator would go to the Economic Stabilization Director, who at the moment is Mr. James Byrnes, and say, "We feel that the civilian population of the country is being too seriously neglected. We have been allocated 'X' pounds of meat, and we do not think our population is going to get along on that, and we are putting the question up to you to decide. You will now hear the War Production Board, or such of the other claimants as care to be heard, and we will abide by your decision, because that is the law."

Mr. TAFT. Mr. President, will the Senator from Connecticut yield?

Mr. MALONEY. I yield.

Mr. TAFT. It seems to me perfectly clear that in the absence of any provision for a supersedeas or anything else, whatever order might be made by the War Production Board, we will say, in some case, or the Food Administrator, would go into immediate effect.

Mr. MALONEY. Of course.

Mr. TAFT. And would be in effect until the Economic Stabilization Director set it aside.

Mr. MALONEY. Of course.

Mr. TAFT. So I do not see that there possibly could be delay of any kind.

Mr. MALONEY. There would be none, and there could be none. The Senator from Ohio is entirely correct.

Mr. MURDOCK. Mr. President, will the Senator again yield?

Mr. MALONEY. I yield.

Mr. MURDOCK. If that be true, and if the decision of the War Production Board is to be final until set aside by the Economic Stabilization Director, then it is difficult for me to understand what the Senator would accomplish by his bill over and above what we now have.

Mr. MALONEY. We would have a claimant to go before the Economic Stabilization Director to ask him to make a decision if an allocation were insufficient.

Mr. MURDOCK. Then am I correct in assuming, from what the Senator from

Ohio and the Senator from Connecticut say, that when the War Production Board had made its decision that would be the end of it, and that the allocation made to the Army in greater amount than the Civilian Administrator expected would go to the Army, regardless of what might happen under the jurisdiction of the Economic Stabilization Director? I cannot get it through my head—and of course that may be understandable by the Senator from Connecticut—

Mr. MALONEY. The Senator need not add the last clause; I have not made any such implication, except that the Senator voted for the bill in the committee.

Mr. MURDOCK. I think the Senator is wrong in that statement. I said that the bill, as it was amended, was much better than it was originally, but I think there is no record of any vote on my part favoring the reporting of the bill.

Unless we are to accomplish something by the bill, then certainly there is no reason in the world for creating another commission, there is no reason in the world for providing for another administrator, and if the answers of the Senator from Connecticut are correct, and if the statement of the Senator from Ohio is correct, that a decision of the War Production Board would stand until it was set aside, then what would be accomplished by the bill?

Mr. MALONEY. I gather that the distinguished Senator from Utah feels that any decision by the Chairman of the War Production Board should be final even if it very seriously affected the civilian population.

Mr. MURDOCK. If the Senator will permit, in the early stages of the war we were confronted by divided authority. If there was anything for which the Congress clamored, if there was anything that was argued every day in the Senate and in the House, it was the necessity of placing war production and the war program under one head.

Mr. MALONEY. And that is where they now are.

Mr. MURDOCK. A head was selected. Donald Nelson is the head. He came before our committee, and told the Senator and told me that he could not distinguish between the military needs and the civilian needs, that to him they were one. If the bill we are discussing would do anything, after we have brought all the powers of our war production and our war program under one head—and in my opinion a very competent and a very efficient head—it would divide that authority, and in my opinion it would result in the same chaos which prevailed prior to the concentration of authority in one head.

Mr. MALONEY. I take it that the Senator from Utah would now put the Rubber Director and the Petroleum Administrator and the Food Administrator back under Mr. Nelson?

Mr. MURDOCK. I do not know that they were ever under him, but I do know we cannot keep dividing the program among different heads and secure the type of efficiency the war program needs.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. TAFT. I think the assumption of the Senator from Utah that there is any combined authority in the Government is a complete misunderstanding. What is the situation? Mr. Donald Nelson has charge of materials other than food; Mr. Davis is entirely independent of Mr. Nelson, and has complete charge of food; Mr. Eastman has complete charge of transportation; Mr. McNutt has complete charge of manpower. We have six or seven different men who allocate different things for the war purposes. The only purpose we have is to have one man who will do a little over-all thinking, for all these purposes, who is interested in seeing that the civilian population, or particular industry, gets manpower and food and materials and everything else necessary, a man who puts the whole picture together, and appears to represent them before the various claimant agencies, and in order that there may be some unity it is provided that if, for instance, Mr. McNutt will not furnish any manpower for laundries, if the War Production Board will not furnish materials for laundries, if Mr. Eastman, perhaps, will not furnish any transportation for laundries, it will be possible to appeal to someone over everybody else who will decide that laundries are essential, or are not essential, in the prosecution of the war.

The assumption that we are proposing to divide authority is a complete mistake in any analysis of the present set-up. In fact, from my own standpoint, I think one of the most important purposes is the unity that is given by providing for the Economic Stabilization Director, who is in the White House, who is in effect an Assistant President, unifying all the programs dealing with the civilian administration. So that I think the bill is a creator of unity, not a creator of disunity.

Mr. MALONEY. I think the Senator is exactly right, and that is the principal function of Mr. Byrnes. I should like to say also that I prefer a war council, but it would be rather presumptuous, to my mind, to propose that by way of legislation. It would be pleasing to me if the President decided to set up the much-talked-about war council.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. MURDOCK. I do not believe I have stated anything on the floor of the Senate which even in substance would support the construction which the Senator from Ohio [Mr. TAFT] has placed upon my statements. I am simply taking the position that by the creation of a Civilian Supply Administration authority is subdivided still further and placed in the hands of one more person, and, as the Senator from Ohio said, if the question is one of manpower, we would have a Civilian Supply Administrator of equal stature with War Manpower Commissioner McNutt, and if the civilian administrator was not satisfied

with the decision which Mr. McNutt made, or which the War Production Board made, then he could appeal to the economic stabilizer, and decision on the appeal would require a period of time. What happens to the country's war program during that period of time?

Mr. MALONEY. The same as is happening now. I should like to make reference to one thing the Senator from Utah has said, that under this bill another man is appointed to do another job. That is most certainly true, and the entire purpose of the bill is to give complete power to an agency to see that the population of this country receives its share of what there is, its actual needs.

Mr. MURDOCK. May I ask the Senator another question, and then I shall subside?

Mr. MALONEY. I yield.

Mr. MURDOCK. Do I correctly understand from the statement just made by the Senator from Connecticut, that the head of the Civilian Supply Administration, which it is proposed to create under the bill, in his position as representative of the civilian population, will be of equal stature with the Chairman of the War Production Board?

Mr. MALONEY. Unfortunately he will not be. He has a right, in cases where conflicts arise, to appeal to the Economic Stabilization Director, who in this instance would be supreme in power and over Mr. Nelson.

Mr. MURDOCK. And if the person against whom a decision is made in favor of the Civilian Supply Administrator is not satisfied with the decision, he can appeal to the President of the United States?

Mr. MALONEY. I assume one can always appeal to the President of the United States.

Mr. MURDOCK. So by this measure we create not one right of appeal, but two rights of appeal.

Mr. MALONEY. It is not necessary to create a right of appeal to the President. The right of appeal to the President is always in existence.

Mr. MURDOCK. But appeal can be made to the President under such circumstances. There is one right of appeal to the Economic Stabilization Director, and if his decision does not satisfy the one against whom the decision is made, the aggrieved person can appeal to the President. During the pendency of those appeals, I ask the Senator, what happens to the war program?

Mr. MALONEY. I have told the Senator two or three times, and let me try again to make it clear. The war program goes on under Mr. Nelson just as it is going on now. There is no interruption, there is no change.

Mr. MURDOCK. If the Senator is correct, and there is no change, then why the necessity for considering this bill?

Mr. MALONEY. Because of the appeal to which the Senator has referred. Insufficient allotment to the civilian population provides a reason for appeal.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. TAFT. May I suggest there is another reason, and that is that the case of the civilian population is more likely to be presented to the War Production Board and to receive consideration without any appeal, than it can today when there is no one appearing before the War Production Board on behalf of the civilian population.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. MALONEY. I yield to the Senator from South Dakota.

Mr. BUSHFIELD. I call the Senator's attention to paragraph 6 of section 2, on page 11 of the bill, if we are through discussing the point which the Senator from Utah raised a moment ago. I call the Senator's attention to this language:

subject to the approval of the Economic Stabilization Director—

The new administrator may—  
determine the need for rationing goods and services \* \* \*

Then the following language:

The Administrator—

Which means the new official we are making provision for in this bill—  
shall direct the appropriate agencies to ration such goods and services.

I should like to have the Senator from Connecticut explain what is contained within the word "services." Does that mean that we are creating conscription of labor in this country under the bill?

Mr. MALONEY. Not at all, I will say to the Senator. I will come to that a little later.

Mr. BUSHFIELD. Very well.

Mr. MALONEY. Next the bill gives the Civilian Supply Administrator the right to appeal to the Economic Stabilization Director, or such other officer as the President may designate, for a revision in any allocation made by any of the allocating agencies. The Economic Stabilization Director, or such other officer as may be designated, may then issue a decision that would be binding upon all other agencies of the Government, and that could be reversed only by Presidential action. Without this right of appeal, and without the final decision lodged in the hands of the Economic Stabilization Director, or such other officer as may be designated, there would never be any guaranty that all aspects of civilian supply were taken into consideration. Without this provision, the final decision would be made individually by the agencies that allocate our resources—the War Production Board, the War Manpower Commission, the Food Administrator, the Fuel Administrator, and others—and there would be no integrating force except the persuasive power of the Civilian Supply Administrator.

I should like to illustrate how the specific powers of the Administrator would operate in the case of a typical consumers product like shoes.

Under section 2 (b) (1) the Administrator is authorized to ascertain the

quantities and types of goods and services necessary to keep the civilian population healthy and functioning effectively. The Administrator would, therefore, estimate the number of shoes necessary for the civilian population during a given period, say 1943 and 1944. In addition, he would find out how many men's shoes are needed, how many women's shoes and how many children's and how many leather shoes, and how many rubber overshoes. He would find out how much shoe repairing is needed. Under section 2 (b) (2) the Administrator is authorized to ascertain the manpower, manufacturing facilities, materials, operating supplies and other productive resources necessary to meet civilian needs. Accordingly, the Administrator would estimate how much and what kind of leather, rubber, steel, textiles and other raw materials are needed by shoe manufacturers and shoe repair shops. Similarly, the manpower, machinery, and operating supply needs of the entire shoe industry would be ascertained.

After having completed his estimates of the shoes required by civilians and the resources needed to produce and distribute these shoes, the Administrator, under section 2 (b) (3), would present his shoe program to the various Government production and supply agencies, claiming from each of these agencies the materials, manpower, supplies, and other resources needed to keep our population from going barefoot. For the manpower required to meet the needed civilian supply of shoes the Civilian Supply Administrator would apply to the War Manpower Commission. For the rubber he would apply to the Rubber Director. For the steel and manufacturing facilities the Administrator will apply to the Chairman of the War Production Board. For the leather needed to produce and repair the shoes I assume he would apply to the Food Administrator. For the fuel necessary to assure the civilian supply of shoes he would apply to the Petroleum Administrator for War. For transportation he would appeal to the Office of Defense Transportation.

Naturally, the other claimant agencies, the military agencies, the Board of Economic Warfare, the Lend-Lease Administration, and others, will apply to these same Government bodies for their share of the resources. The War Production Board, the Rubber Director, the Food Administrator, and the others would still determine the division of the particular resources under their jurisdiction among the various claimants—military, foreign, and civilian. Once the allocations of resources for civilian shoes have been made and are accepted by the Administrator, the appropriate Government production agency—in this case the War Production Board—would exercise its powers to see that such resources were used for the specific types of shoes that the Administrator originally determined necessary.

It may be, of course, that, in the opinion of the Civilian Supply Administrator, insufficient resources are allocated for civilian shoes to enable him to carry out the purposes of the bill. If, for instance,

insufficient leather was allocated by the Food Administrator to produce and repair the shoes required by civilians, the Administrator is given the right to appeal to the Economic Stabilization Director, or such other official as the President may designate for such purposes. After conferring with the agencies affected, the Economic Stabilization Director, or such other official as the President may designate, would issue directions deciding the appeal, and his decision would be binding upon all other agencies and departments of the Government. This right of appeal, of course, is not to be construed to deny to any Government agency the right of appeal to the President, and this is expressly stated in section 2 (b) (3). It is assumed that the Administrator would not appeal each allocation in which his requests for resources have been cut back by the appropriate Government production agencies. I assume that only major allocation decisions would be appealed. The Civilian Supply Administrator might elect to accept a cut-back in his program of shoe requirements in order to conform with the reduced quantities of leather available.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. McNARY. I hesitate to ask the genial Senator to yield; but inasmuch as he is on the subject of procedure by appeal, I should like to ask a question. I know it will be accurately answered.

Mr. MALONEY. I thank the Senator.

Mr. McNARY. Does not the bill provide for the expansion of the authority presently vested in the Director of Economic Stabilization?

Mr. MALONEY. I have never been entirely sure of what powers were in the hands of the Director of Economic Stabilization; but certainly by statute the bill would establish a power about which there may now be some doubt. I doubt that he has the power to make such a decision now. Under the proposed statute, obviously he would have.

Mr. McNARY. I quite agree with that. I am in very grave doubt as to the authority now asserted by the Director of Economic Stabilization; but with that I am not going to quarrel at the present time.

Let me ask whether the bill grants him any greater authority than that which he now possesses? Does it by any language convey any additional power to the Director of Economic Stabilization?

Mr. MALONEY. I do not know how much power the President has delegated to the Director of Economic Stabilization, who was appointed by Executive order, and I do not know how far the President can go under Executive order. I think the question might be raised in certain instances; but obviously under this bill the powers of arbiter would be established.

Mr. McNARY. Where is there in the bill—that is the question—language providing for the granting to him of any more power than that which he now possesses under the Executive order?

Mr. MALONEY. I cannot tell. I do not know what powers he has under the

Executive order, and I doubt whether any other Member of the Senate clearly understands the matter.

Mr. McNARY. I think that is a very important question to be considered in connection with the very able statement the Senator is making with regard to the additional rights or powers to be conveyed to the civilian administrator.

Mr. MALONEY. It seems so to me.

Mr. McNARY. It is my judgment, that the Director of Economic Stabilization under the Executive order is exercising probably greater power than he legally has; but I am not complaining about that, because I have great confidence in Mr. Justice Byrnes, who was a Member of this body for years. Having that power, can the Senator point out any provision of the bill which confers upon the Director of Economic Stabilization any power greater than that which he has at this time?

Mr. MALONEY. We would specify by statute that he should dissolve disputes between certain agencies of government.

Mr. McNARY. Oh, yes; that may be entirely so, and that is what the Senator is resting his case upon. In my judgment the Senator's bill is not conferring any power on him at all beyond that which he has under the Executive order creating the position; and the right today to appeal to him is just as great, and the road is just as clear and unobstructed, without having the bill enacted into law.

Mr. MALONEY. There is one point the Senator misses, and I shall cover it in greater detail a little later: Who would make the appeal to him now, without the enactment of this bill? There is no one to make the appeal.

Mr. McNARY. Anyone can go to him now. He has the same authority now as that which he would have if the bill should become a law.

Mr. MALONEY. But as of the present time there is no independent civilian supply claimant; there is no man to make the appeal. The purpose of the bill is to provide for the establishment of such a claimant.

Mr. McNARY. The agencies the Senator has mentioned are more or less to be duplicated by the proposed agency. They have a right to go to Mr. Byrnes today.

Mr. MALONEY. Not at all; there is no independent civilian supply claimant.

Mr. McNARY. Not at all. The bill would give him the name; but the claimant agencies are not the Director; the claimant agencies are the Army, the Navy, and other governmental agencies—the Manpower Commission, Mr. Eastman, the Director of Defense Transportation, and so forth. They are the claimants, evidently, if I construe the Senator's bill correctly. They now have a right to go to Mr. Byrnes, or today Mr. Byrnes can make an order overruling any decision at which they may arrive.

Mr. MALONEY. I am not sure that he has.

Mr. McNARY. If that is not a correct interpretation of the bill, at least I concede that I am not questioning the wisdom of my distinguished friend. I am laboring under the difficulty confronting

all Members of the Senate who are not members of the committee. This is the first opportunity I have had to read the bill. I have been trying to read it and at the same time listen to the very excellent address being presented by the Senator. Let me say that I do not believe the Senator would be doing by the bill what he thinks he would be doing. I shall address myself to the general subject a little later. I thank the Senator very much for his kindness and courtesy in yielding to me.

Mr. MALONEY. Mr. President, I should like to comment further on the matter briefly at this point. I had hoped to cover the question the Senator has raised and the part I have not covered I shall cover later. I should like to point out now to the distinguished senior Senator from Oregon that today there is no independent civilian-supply agent or claimant. Some time ago Mr. Nelson himself recommended that there be one. Since then he has had a change of mind. He says he thought it would work 3 or 4 months ago, but now he does not think it would work, in spite of the fact that now he has been dealing with the subject for a year and a half.

Strangely enough, Mr. Jeffers, who had written a letter in February saying he was opposed to it, testified before the committee that, as a result of his experience, he thought it was now all-important.

Under the existing set-up there is a civilian-supply representative. He is completely under the domination of Mr. Nelson; he cannot independently appeal to anyone else. His appeal would be to the man who made the decision, namely, Mr. Nelson, and on the appeal Mr. Nelson would again make the decision. So it seems to me rather frivolous for a man to appeal the decision of his case to the man who already has decided it.

So we are lacking a claimant for the civilian population of our country, although we have, with independent powers, a claimant for the countries of Europe; and in the person of the Vice President of the United States, we have a claimant for the countries of the southern part of our own hemisphere. We have about 16 claimant agencies; but we do not have an independent claimant or agent for the people who make up the civilian population of our own country. I think they have been neglected. I think that at the moment the neglect is obvious; and I think it may well result in a most dangerous situation in the days that lie ahead.

I, with many other Senators, recall the statement made in Von Ludendorff's book, *Ludendorff's Own Story*, in which he pointed out, as Von Hindenberg and others have also pointed out, that the greatest contribution to the defeat of Germany was the collapse of the home front when the civilian-supply program broke down.

Mr. McNARY. Will the Senator permit me to obtrude at that point?

Mr. MALONEY. I yield.

Mr. McNARY. I do not want the Senator to lead off on a matter that is of a more or less sentimental character. I

agree with him in the objectives he is trying to reach. I think the civilian population has not received the consideration it should receive. I go along with the Senator until we get to the mode of procedure or the machinery by which the appeal might be made. There I depart from the Senator's position. I take the general stand that we have too many agencies now, and that the bill would simply result in the creation of another agency with overlapping jurisdiction—unquestionably so, as I see it—without conferring on anyone finally the right to adjudicate the question the Senator has very much in mind.

I thank the Senator for yielding to me.

Mr. MALONEY. Mr. President, I think the bill very clearly would give Mr. Byrnes the power to adjudicate. I should like to point out that there would not be a duplication; that at the moment there is, in name only, a Civilian Supply Agency, a part of the War Production Board. It has employed in the past 600 persons. Testimony before our committee by the present civilian-supply official was that the new agency would operate with less than 1,000 persons. The bill provides that the present department of the War Production Board dealing with the civilian supply shall be taken over; so there would be a change only to the extent that the man would be given independent power, that he would not be subservient to the Chairman of the War Production Board, as is now the case.

Mr. McNARY. Mr. President, I hesitate to ask the Senator to yield again.

Mr. MALONEY. I ask the Senator not to hesitate.

Mr. McNARY. I really should apologize for interrupting. What the Senator has said illustrates a general difference very prominently manifesting itself, in my own mind, as to the number of employees who naturally would attach to the new agency. As I read the bill very hurriedly, it seems to me that the Senator is covering an immense amount of territory which now is being covered by other groups or other agencies of Government; and how that could be done with the present set-up of the War Production Board, if the Senator is desirous of having a complete divorce, I do not understand. It is my guess, and I make it here, that if the bill becomes law the new agency will have several thousand employees within a thousand hours, which is about 40 days. Let me state to my dear friend the Senator from Connecticut that it never has proven otherwise. Whenever we create an agency, or whenever one is created by Executive order, in a short time we are astounded by the number of persons who are employed and the great expense to the taxpayers in taking care of the functions and duties of an agency which is simply stepping on the toes and intruding itself upon the activities of some existing agency.

Mr. MALONEY. I can assure the very distinguished Senator from Oregon that I am among those who have been loudly endeavoring on the floor of the Senate—not always successfully, but with some

measure of success—to abolish existing agencies. I did not have much help when I tried to wipe out the N. Y. A. and other agencies.

Mr. McNARY. I think the Senator has followers.

Mr. MALONEY. I have followed the Senator closely in that effort. On the particular occasion to which I refer, I was probably more articulate than others.

I should like to point out also that the proposed legislation would come to an end with the cessation of the war. I know that there is no one more concerned over the question than is the very able and distinguished Senator from Oregon. He has talked with me about it many times. I can appreciate his fears. They are very natural fears. Other Senators have fears about the possibility of a run-away agency.

Mr. Nelson has in his department more than 22,000 employees. I shall not criticize that agency now. Other agencies of the Government are overburdened with employees. One day I stood at this desk and stated that if I were in charge I would send half of them home. I would still send half of them home. It was I who asked the question of the present Civilian Supply Administrator, "How many employees would be needed to operate this agency? In my judgment you cannot do it with 5,000, but you can do it with less than 1,000." He said he would have less than 1,000.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. BUSHFIELD. I find nothing in the bill which would limit the number of employees. The number would be left to the sole discretion of the Director.

Mr. MALONEY. That is entirely correct. It would be up to the Director and to the Congress, which appropriates the money. In the final analysis, the sole discretion is with Congress.

I realize that there can be abuses if a bad selection is made—and, God knows, there have been many bad selections, and the abuses have gone on and on. I have tolerated them as best I could, because I do not want to muddy the waters in time of war. I feel like screaming every day, as large numbers of constituents of every Senator are shrieking, about these abuses.

In the earlier part of my remarks, I stated that this is only the first step, and that it could not be successful unless the second step were successful. The second step is the administration of the act. Unless we can get wise, able, conscientious, patriotic, and thoroughly competent men, this plan will not work. But the system of civilian supply is not working now. The civilian population has been neglected. We had witnesses before our committee who testified that they could not get equipment to repair plumbing in the cities of Detroit and Chicago. There is great danger from the health standpoint because they cannot obtain pipe, fittings, and parts. We had witnesses from Chicago and elsewhere who told us that they could not get the parts for refrigerators or washing machines in homes. They stated that they could

not gets parts for plumbing facilities in homes, and that great danger confronts us if we cannot get those things. The danger is now on a comparatively small scale. If we go on blindly for another 6 months, we shall have it in a big way next winter.

The civilian population of the country, instead of being dealt with on the basis of proper civilian supply, has been treated on a basis of civilian denial. I am blaming no individual. I do know, however, that it is our responsibility and not the responsibility of Donald Nelson or any one downtown to protect the civilian population. It is our job, and when the war is over, or when the trouble comes, we cannot say, "The Army took too much," or "The Navy took too much," or "The Bureau of Economic Warfare took too much," or "Too much was sent to Africa and the distressed countries of Europe." We will be asked, "Where was the Congress?" If I were operating the Army, or a part of it, I should be making big demands. I should probably be overdemanding. Those in control of the Army are charged with the responsibility of obtaining enough—I rather suspect that they are asking for enough all along the line. In some instances we are already surfeited with certain things which the Army requires, and I have no criticism of that situation, but I do criticize Congress if it passes up this opportunity to obtain for a representative of the American people a chair and a vote at the council table. By Executive order various other claimants have been set up outside the War Production Board. I am only asking that consideration be given to 120,000,000 American people.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. BUSHFIELD. I agree with the Senator about the difficulties of the civilian population. I am heartily in accord with the objective which the Senator is seeking by this bill.

Mr. MALONEY. I know the Senator is.

Mr. BUSHFIELD. Why not put our finger on the cause of the difficulties of the civilian population? The thousands upon thousands of regulatory orders and priorities which have been issued prevent our people from obtaining goods.

Mr. MALONEY. I am coming to that. Under section 2 (b) (4) of the bill the Administrator is authorized to assist the civilian population and civilian industries, trades, and services in making any adjustments made necessary by the war. In the case of shoes, the Administrator may endeavor to educate the civilian population in the proper care and preservation of footwear and the necessity for conservation measures in the use of footwear. He may also stimulate voluntary action by business and community groups in such matters as cutting down unnecessary distribution costs, pooling deliveries, and adjusting storekeepers' hours.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. FERGUSON. What is intended to be accomplished under subparagraph

(4) of subsection (b) of section 2, on page 11, line 10? The language is:

(4) Assist the civilian population and civilian industries, trades, and services in making any adjustments rendered necessary by the war.

What does the Senator have in mind?

Mr. MALONEY. Let me refer again to the statement which I have just made.

In the case of shoes, the Administrator may endeavor to educate the civilian population in the proper care and preservation of footwear and the necessity for conservation measures in the use of footwear. He may also stimulate voluntary action by business and community groups in such matters as cutting down unnecessary distribution costs, pooling deliveries, and adjusting storekeepers' hours.

I can think of such a case as the regulation of hours, and how he could assist in bringing about a unification of hours. In the State in which I live the Governor issued a request that business houses close on Monday. Some of them complied and some of them did not. In other instances stores remained open at night. As the Senator knows, the whole problem was one of power and fuel. Some stores remained open at night and others did not. Consequently, there was created a sort of unfair competition. Under the language of the bill the Administrator would assist in making any adjustments rendered necessary by the war.

Mr. FERGUSON. Would it involve policing?

Mr. MALONEY. No; it does not go that far. The word is "assist." It is a matter of education. It would be a moral responsibility upon the Administrator.

He may also stimulate voluntary action by business and community groups in such matters as cutting down unnecessary distribution costs, pooling deliveries, and adjusting storekeepers' hours. Under section 2 (b) (5) the Administrator is empowered to assure a fair and equitable distribution of consumer goods through the channels of trade, and to assist the retail, wholesale, and service trades in adjusting themselves to the level of operations required by the amount of resources available. Accordingly, the Administrator might seek to assure adequate supplies of footwear to regions whose populations have increased as a result of the growth of war industries, and to divert particular types of footwear to regions where climate or occupations call for their particular use. He would determine policies on the control of shoe inventories and in the allocation of shoes to various classes of wholesalers and retailers.

I selected shoes because they are not made in Connecticut.

Under section 2 (b) (6) the Administrator is authorized, subject to the approval of the Economic Stabilization Director, to determine the need for rationing goods and services to the civilian population, and when and where rationing shall be instituted. If shoes had not yet been rationed, the Administrator—after ascertaining the need therefor, and after obtaining the approval of the Eco-

nomie Stabilization Director—would be the one to direct the Office of Price Administration to ration shoes to the civilian population. Since shoes are already rationed today, the Civilian Supply Administrator might, under this bill, issue a directive to the Office of Price Administration modifying the rationing of shoes or establishing new policies of shoe rationing.

Under section 2 (b) (7), the Civilian Supply Administrator would be authorized to conserve the productive resources available for civilian production and distribution by reducing and eliminating nonessential uses of goods, services, and productive resources, and by stimulating the utilization of adequate substitutes for goods of limited supply.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. MILLIKIN. I should like to ask the Senator from Connecticut what is contemplated by the word "services"?

Mr. MALONEY. It might mean laundries or barber shops.

Mr. MILLIKIN. Might it mean labor?

Mr. MALONEY. No; it would not mean labor as such.

Mr. MILLIKIN. I believe the word might be construed to be sufficiently broad to include labor.

Mr. MALONEY. I quite understand what the Senator means, but I do not think it can so be construed in this bill.

Mr. MILLIKIN. Would it include professional services?

Mr. MALONEY. It could include professional services.

Mr. MILLIKIN. I suggest that the word is open to vast possibilities. As one Senator pointed out, it touches on the Austin-Wadsworth bill.

Mr. MALONEY. I do not think it does. It is a very common term used in legislation and otherwise. We frequently talk about goods and services, meaning service organizations, delivery trucks, laundries, and barbers and optometrists and shoe repairmen. It refers to what the men do, rather than to the men themselves. If the Senator can suggest more appropriate language, I should be glad to have him do so.

Mr. MILLIKIN. I recognize the connotations to which the Senator addresses himself, but I believe the term "services" also has a commonly understood meaning as including at least some forms of human activity, such as professional services, if not common labor.

Mr. MALONEY. The Senator is correct. If he can suggest better phraseology I should like to have it. I am opposed to the Austin-Wadsworth bill, or anything like it.

Mr. MILLIKIN. If I may add to what the Senator has said, I, too, am opposed to it, and if the language of the proposed bill includes anything of that kind, of course, it would raise a conclusive and insuperable objection on my part to the bill.

Mr. MALONEY. It would also have the same effect with me, I will say to the Senator from Colorado, but I am sure the term "services" as used in the bill cannot be so construed.

And now I refer back to section 2 (b) 7.

If, for instance, the quantities of sole leather available for civilian footwear are insufficient, the Administrator might direct that limited quantities of sole leather be used per shoe, or that certain nonessential styles of shoes be eliminated. Thus, the Administrator would be enabled to stretch the leather available for civilians over a greater number of pairs of shoes and thereby meet the needs of the civilian population.

Under section 2 (b) (8) the Administrator would be authorized to cooperate with the Smaller War Plants Corporation in attaining the most effective use of small business concerns in civilian supply. This means that in the case of shoes the Administrator and the Smaller War Plants Corporation would jointly work out a program to relieve distress among smaller shoe manufacturers, and enable them to contribute their utmost to the production of essential shoes.

Section 3 directs all agencies administering the national policy of economic stabilization and prevention of inflation to cooperate with the Administrator to the extent practicable, on the task of meeting essential civilian needs. This provision recognizes the fact that the basic aim of our economic stabilization and anti-inflation policies is the prevention of price increases which would tend to disrupt the production and distribution of essential civilian supplies. If, for example, it were found that price ceilings imposed on shoe manufacturers made it unprofitable for them to manufacture civilian shoes, the Office of Price Administration, under this provision, would be expected to make the proper adjustment in its price ceiling.

Section 4 makes the Civilian Supply Administrator a member of the War Production Board, the War Manpower Commission, and the interdepartmental advisory committees of the Food Administration, the Petroleum Administration for War, the War Shipping Administration, and any other agencies which divide up the resources of the country. This provision gives the Administrator an opportunity to participate in the basic policy discussions of the other agencies insofar as they relate to the civilian supply of not only footwear but of all other civilian goods and services.

I should like to invite particular attention to section 5 of the bill because a suggestion has been made on the floor of the Senate that in order to obtain information which would be necessary for carrying out the program there would have to be a duplication of effort.

Section 5 authorizes the Administrator to obtain information from businessmen and from other Federal agencies. He could therefore and thereby draw upon the information which they may have for whatever purpose he may need it in the conduct of his work.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. BUSHFIELD. I should like to ask for information concerning the particular section of the bill to which the Sen-

ator is now addressing himself. Section 5 would give to the Administrator power to investigate and secure information, or gather information from various lines of business. Is it not possible that under the power granted by that section the Administrator could simply conduct fishing expeditions to embarrass and annoy the owners of plants?

Mr. MALONEY. I shall come to that point in a minute. The Senator already knows that under existing law officials may not torment officers of industries and others with questionnaires unless such questionnaires first have the approval of the Bureau of the Budget. I may say by way of giving ourselves a little applause that such restriction is the result of a bill introduced by the Small Business Committee of the Senate, and which is now law.

Mr. BUSHFIELD. I agree with the Senator, but would we not be granting that particular power by the passage of this bill?

Mr. MALONEY. I should like to have the Senator bear with me until I can make a further explanation of it.

Under this section the Administrator could obtain existing information concerning the shoe industry from the Office of Price Administration, for example, without having to spend the time and money which would be necessary if he had to gather such information directly.

I should like to invite the Senator's attention to the fact that he could not obtain income-tax reports from the Bureau of Internal Revenue, or confidential information from any agency.

We wish specifically to take care of the situation to which the Senator has so properly and wisely referred.

Mr. BUSHFIELD. Will the Senator further yield?

Mr. MALONEY. I yield.

Mr. BUSHFIELD. How about the individual? The Administrator could not secure the information from a Government agency, but under the terms of this bill could he not go into a man's own business and secure it?

Mr. MALONEY. Only under existing law. I cannot anticipate a case in which he would do so harmfully.

Mr. BUSHFIELD. I thank the Senator.

Mr. MALONEY. It would not broaden the law. It would not, in my judgment, create any new power.

Section 6 provides that all Government agencies that allocate our resources among various uses should allot to small business concerns, wherever possible, a larger proportion of their pre-war civilian business than is allotted to larger concerns, or to concerns with more direct or indirect Government business. This provision recognizes the fact that a larger shoe manufacturer or a large shoe distributor can operate under bigger cuts in civilian business than can smaller concerns. If effectively administered it would tend to preserve and strengthen the smaller shoe manufacturers and distributors, many of whom might otherwise have to go out of business.

Other sections of the bill speak for themselves and need no illustration.

Section 7 provides that the present Office of Civilian Supply within the War Production Board, together with its records, property, personnel, and funds, shall be transferred to the new Civilian Supply Administration.

Section 8 authorizes the Administrator to appoint such advisory committees, composed of representatives of governmental or private groups, as he deems appropriate.

Section 9 calls for quarterly and annual reports to Congress summarizing the activities of the Civilian Supply Administration.

Section 10 provides that the bill shall expire 6 months after the cessation of hostilities.

When this bill was first introduced by the Subcommittee on Civilian Supply of the Senate Committee on Small Business, there were some who misunderstood its purposes and provisions.

I can well recall some of my colleagues feeling that the creation of an independent Civilian Supply Administration would add to the existing duplication of effort in the conduct of the war. The hearings before the Banking and Currency Committee, however, have made it clear to everyone that it is the existing duplication of effort in the field of civilian supply that threatens our conduct of the war on the home front, and that the passage of this bill will do more than anything else to eliminate duplication and bring order out of chaos.

There were some who thought that it would take away from the other Federal agencies essential production powers. A careful reading of the bill, however, would make it clear to anyone who may still harbor such questions that a Civilian Supply Administration is not a production agency in any sense of the word, and that it merely relieves the production agencies of the job of deciding how much is needed for the civilian population, thereby giving them the opportunity to concentrate their efforts upon their central job, namely, production. This fact is substantiated by testimony on behalf of the bill by Mr. Jeffers, one of the most aggressive of all the production administrators.

Finally, there may have been some who feared that a strong Civilian Supply Administration might put the fat back on our civilian economy, that it might take things away from our men on the fighting fronts and allow our civilian population to wallow in luxuries. This, needless to say, is exactly contrary to the spirit and letter of the proposed legislation and the intent of those who framed it. The whole purpose is to provide more effective assistance to our men on the fighting fronts, to speed up the prosecution of the war, and bring nearer the day of victory by mobilizing the home front in support of the armed forces.

The people of this country have long been looking to the Congress for leadership. Through their elected representatives in Washington, they have wanted to participate more fully in the decisions that shape the destiny of our country.

Our people have not looked to Congress in vain. The Civilian Supply bill, as reported by the Committee on Banking and Currency, represents a united, bipartisan effort on the part of many Senators to determine our Nation's war-time policy on the home front and to substitute a workable, practical civilian supply organization for the existing chaos. While I do not wish to minimize the value of the work done on the bill by its cosponsors, the Senator from Ohio [Mr. TAFT] and the Senator from Nevada [Mr. SCRUGHAM], or by the distinguished Senator from New York [Mr. WAGNER], who is chairman of the Banking and Currency Committee, there is hardly a member of the entire Banking and Currency Committee who has not made a personal contribution toward the framing of the proposed legislation. The passage of this bill by a united and determined Congress will not only put our Government and our country in better shape to fight the war, but it will also give everyone, including our enemies, a working demonstration of democracy in action. It will help establish more firmly the somewhat neglected principle that we can fight the war most effectively through the use, rather than the suspension, of the democratic processes we are fighting to defend.

Mr. President, I have occupied the floor for a long time. I am not familiar with the following legislative program. Other members of our committee may desire to discuss the bill, but I think, in view of some of the things which have been said here that I ought to analyze the recent order issued by Mr. Nelson. Some Senators are quite familiar with the fact that for the past few weeks persons associated with the War Production Board, to put the statement conservatively, have been lobbying constantly against this bill. I see nothing more in their purpose than the long-time Washington desire to keep power, to retain control. I do not say that disparagingly. I am certain that Mr. Nelson is as conscientious as a man can be in feeling that the civilian supply need can be better taken care of under his guidance than it can under the direction of someone who has no other special Government work to do. I have insisted, the members of our Smaller Businesses Subcommittee have felt, the entire membership of the Banking and Currency Committee has felt, after the hearings, after testimony by those who are extremely close to the civilian population, after testimony by the C. I. O., the American Federation of Labor, and business groups of this country—and they are close to the ordinary citizen—that there was no reasonable ground for opposition. After their testimony as to the need there came a unanimity of opinion insofar as our committee is concerned. I cannot see the reason for the opposition; but Mr. Nelson has moved again and again and again to set aside this proposed legislation, and I think that probably I ought to take a little more time of the Senate to attempt to make an analysis of his recent order. It is called a new order on civilian supply but to me it looks like the old order a

little more dressed up. So I shall risk tormenting Senators, because I think this analysis ought to be made a part of the RECORD.

So, Mr. President, I revert to the recent order dealing with Mr. Nelson's Office for Civilian Requirements. I have felt that this order is one of the results of the bill sponsored by Senators TAFT, SCRUGHAM, and myself. If I may have the attention of the Senators, and particularly any of the Senators who have the feeling that this recent order makes it unnecessary to pass the bill now under consideration, I will be grateful. I think I can show that almost nothing is changed. I think I can prove that the new order is almost meaningless and, in fact, as I have said, is the old order dressed up.

On May 1, 1943, 15 months after the creation of the War Production Board, Mr. Donald M. Nelson, Chairman of the War Production Board, issued a general administrative order, 2-99, establishing a vice chairman and Office for Civilian Requirements in the War Production Board. This internal administrative order presumably represents Mr. Nelson's present views as to how the civilian-supply problem should be dealt with. It is in many respects a remarkable order: First, it is the ninety-ninth administrative order issued in 15 months; it is a 6-page document—one of the longest administrative orders ever issued by the War Production Board—and, finally, it represents his third change of mind in 3 months on how to handle the civilian-supply problems. This latter point is important, since this order can be changed again whenever Mr. Nelson changes his mind again. I have studied Mr. Nelson's order carefully and have come to the conclusion that the 130,000,000 civilians of this country cannot be adequately protected by this internal administrative order.

I shall explain why I have come to this conclusion. Before doing so, however, I wish to point out that Mr. Nelson evidently has had a belated change of mind on the civilian-supply problem. Not only does his administrative order borrow profusely from the so-called Maloney bill, but, contrary to his own prepared testimony on the bill before the Senate Banking and Currency Committee, he has now established a claimant for civilians, albeit a limited claimant for controlled materials under the War Production Board. It is interesting to compare Mr. Nelson's administrative order of May 1, 1943, with his prepared statement and testimony on S. 835 before the Senate Banking and Currency Committee. The heart of the administrative order provides that the vice chairman for Civilian Requirements shall be a claimant for consumer goods and services. The pertinent sections of the order provide that:

SEC. 5.01. \* \* \* the vice chairman for Civilian Requirements shall—

1. Determine the requirements for civilian goods and services and act as claimant therefor.

SEC. 7.03. The vice chairman for Civilian Requirements shall be a member of the requirements committee of the War Production Board and shall be a claimant before that committee for such consumer goods and

services and such controlled materials going into such consumer goods and services as may be the concern of that committee.

On April 6, 1943, less than a month ago, Mr. Nelson read a prepared statement on the so-called Maloney bill to the Senate Banking and Currency Committee wherein he stated as follows:

I have come to the conclusion that the concept of a claimant for civilians is confusing. I think it is confusing logically and confusing emotionally. The very name implies that the civilian portion of our population is seeking to get something which it does not have. \* \* \* I believe, therefore, \* \* \* that the overwhelming sentiment of the American people is not to claim but to give. \* \* \* The activities of a claimant agency are those of bargaining. They normally include asking for more than is expected, in order to have leeway for bargaining. \* \* \* Used for civilians I believe they would be repugnant to the people of this country.

I must say that the Maloney bill must have had a profound influence on Mr. Nelson, whose administrative order repudiates his own statement to the Senate Committee. If Mr. Nelson still believes that there should be no claimant for civilians, I can only say that he must also have concluded that the vice chairman for an Office of Civilian Requirements which he has established in the War Production Board is "repugnant to the people of this country."

A general administrative order issued by the chairman of the War Production Board is subject to rapid and frequent amendment by the Chairman. Yet such an internal order is proposed as the basis for establishing the Civilian Supply Agency within the War Production Board.

From its inception in January 1942 to date, the Chairman of the War Production Board has issued 99 general administrative orders providing for different organizational changes in the War Production Board structure. With respect to one single division of the War Production Board, the Operations Division, the Chairman of the War Production Board has issued 10 general administrative orders modifying its functions and organization during a period of 15 months. On the average, therefore, a particular general administrative order lasted 45 days. This is a rather insecure basis for a civilian-supply organization to protect 130,000,000 civilians in the war.

A vice chairman in charge of Civilian Requirements in the War Production Board was established after the Senate hearings on the Maloney bill were completed. The vice chairman for Civilian Requirements is one of six vice chairmen of the War Production Board and he is a claimant for controlled materials. All the other vice chairmen—the executive vice chairman, and those for Programs, for Operations, for Miscellaneous Planning, Production and Procurement, and for International Supply—deal with problems of allocations of materials and production. None of them are claimants. Thus the vice chairman for Civilian Requirements will be the only claimant among the vice chairmen of the War Production Board. All other major

claimants are independent and outside the War Production Board.

I should like particularly to emphasize that statement, because of the charge made here that we were taking a claimant out when as a matter of fact about all the other claimants are out.

Compare the position of this one of six vice chairmen of the War Production Board with that of the other major claimants. The Vice President of the United States is head of the Board of Economic Warfare, which acts as claimant for the populations of Central and South America. Can we not have that much for the people of our own country? Shall we give them less than we give to the populations of Central and South America at our own conference table here in Washington?

Mr. Edward R. Stettinius, Jr., is head of the Lend-Lease Administration, an independent agency which claims for the needs of our allies and reports directly to the President. I am among those giving applause to Mr. Stettinius. I am among those who have always favored the lease-lend program. But shall we, the Congress, deny to the civilian population of our own country that which we give to all our allies in all the foreign fields? Is it wrong to ask for them, who send us here, a place comparable with that we have given to dozens of other countries over the earth? I cannot believe it. I cannot believe that the Senate or the Congress as a whole will vote against giving the same representation to the people whom they are directly representing.

Both the Army and Navy, headed by Cabinet members, are independent and claimants and report directly to the Commander in Chief, the President of the United States. The civilian supply organization of the War Production Board is therefore so inferior in stature to other major claimants that it is not in a position to be effective in assuring adequate civilian supplies.

The main fault of the general administrative order lies in the inadequate coverage of the civilian-supply organization. In the first place, the Office of Civilian Requirements is limited to the field of consumer goods and services "personally consumed or used by individual citizens in the United States." This seems to me to make the civilian-supply organization unduly narrow. More important, however, is the confinement of the Office of Civilian Requirements to only those fields over which the War Production Board has authority.

Due to the limited authority of the War Production Board the General Administrative Order No. 2-99 establishes the vice chairman for Civilian Requirements as claimant only for such materials as are under the War Production Board. Whenever the word "claimant" is used in the administrative order, therefore, it is necessarily qualified and limited to "claimant for materials which are under the jurisdiction of the War Production Board." This means that the vice chairman for Civilian Requirements can claim for the steel, rubber, fuel, and textile fabrics which go into the manufacture of shoes for the civilian

population. However, he cannot claim for the manpower necessary to produce and distribute the shoes, for the leather necessary to manufacture the shoes, and for the shipping space necessary to bring in the hides required to assure sufficient supplies of leather for the shoes. Moreover, Mr. Nelson's order does not give the vice chairman for Civilian Requirements an official claimant membership on the requirements committees of the Rubber Director or of the Petroleum Administrator for War.

In other words, under this general administrative order the vice chairman for Civilian Requirements would not be in a position to assure the supply of the necessary shoes, or, for that matter, any other goods and services to the civilian population. He could not do this because he is established only under an administrative order within the authority of the War Production Board. In order to claim for manpower he would have to go to the War Manpower Commission, which is established by independent Executive order, and is not subject to jurisdiction of the War Production Board. In order to claim for rubber he would have to go to the Rubber Director, who is established by independent Executive order. In order to claim for leather he would have to go to the Food Administrator and the Department of Agriculture, which are established by statute and Executive order and are not subject to the jurisdiction of the War Production Board. In order to insure sufficient quantities of fuel oil for the manufacturer of shoes the vice chairman would have to go to the Petroleum Administrator for War, who is established by Executive order. In order to claim for the transportation required to assure the distribution of shoes to the civilians, he would have to go to the Office of Defense Transportation, which is established by independent Executive order, and is not subject to the jurisdiction of the War Production Board. In order to claim for shipping space to import more hides for leather, he would have to go to the War Shipping Administration, which is established by Executive order and is not subject to the War Production Board.

It is quite obvious that there could be no integration, planning, and assurance of adequate civilian supplies under these circumstances. The vice chairman for Civilian Requirements would be only an official claimant for the steel tacks that go into the making of shoes. It would not be possible to make many shoes with only steel tacks. The War Production Board cannot give the vice chairman for Civilian Requirements status as a claimant before other Government agencies because the War Production Board has no such authority over them. The Maloney bill affords an over-all claimant status for a Civilian Supply Administrator so that civilians can be adequately provided for.

The impossibility of doing an adequate job for civilians under this War Production Board general administrative order is apparent—so apparent that an attempt is made in the order to gloss over the defect by establishing a so-called

Civilian Requirements policy committee. The stated function of this committee is "to correlate the policies of the several Government agencies concerned with the supply of essential goods and services for civilians." The committee has no powers to decide civilian-supply policies nor are the committee's decisions binding on any of its members.

The members of the committee are the vice chairman for Civilian Requirements, the Secretary of Agriculture, the Chairman of the War Manpower Commission, the Price Administrator, the Petroleum Administrator for War, and the Director of the Office of Defense Transportation, presided over by the Chairman of the War Production Board. Except for the vice chairman for Civilian Requirements, all the other members of the committee are members of the War Production Board. The formation of this committee seems strange indeed when its members are all available for discussion of civilian-supply matters at War Production Board meetings.

In other words, they will meet Tuesday, let us say, as members of the War Production Board, and the same men come back on Wednesday and discuss another subject. I wonder if it is wise, in times like these, to bring men back tomorrow or the day after tomorrow to discuss that which might properly have been discussed when they were all together the day before.

If civilian-supply problems can be dealt with by a correlating committee, it seems like duplication to me to establish a new committee when the War Production Board itself is supposed to care for civilian requirements as well as military and export. If civilian-supply problems cannot be dealt with adequately by the War Production Board itself, there is no reason to believe that they can be dealt with by a subcommittee composed of War Production Board members. I can only view this committee as a rump session of the War Production Board which, for 15 months, has failed to solve these questions. This is mere camouflage. What civilian supply needs is an administrator with authority, not a debating society.

Probably the single most important factor to maintenance of an adequate civilian economy during the coming year is the manpower situation. Consequently, any person charged with the responsibility of providing adequate consumer goods and services for the civilian population must have an effective voice on manpower. It is noteworthy that Mr. Nelson's general administrative order on civilian supply has only one reference to manpower. It provides in section 5.01-7 that the vice chairman for Civilian Requirements shall "determine the impact of manpower shortages upon the supply of essential consumer goods and services; and when necessary, determine the relative essentiality of different consumer goods and services, and report such determinations to the War Manpower Commission."

This provision is most inadequate to assure necessary civilian supplies. In effect, the vice chairman for Civilian Requirements is authorized to make studies

and reports on manpower shortages. These are weasel words which purport to give civilian supply a voice on manpower when in reality it will have none. The vice chairman is given no claimant representation before the War Manpower Commission on which sit other claimants for manpower such as the Army, Navy, and Agriculture. It is clear why Mr. Nelson could only authorize his civilian Supply Agency to make studies and reports on manpower—the War Production Board has no control or jurisdiction over the War Manpower Commission. The Maloney bill will remedy this defect. The Government representative of civilians can be only a fraud and deception upon the public if he has no effective voice on manpower as it relates to civilian supply.

It is expressly provided in the general administrative order 2-99 that the vice chairman for Civilian Requirements shall not be a claimant with respect to food. This is in keeping with the testimony of Mr. Nelson before the Senate Banking and Currency Committee on S. 885 where he said—p. 237 of hearings:

I do not have anything to do with food stuffs.

The vice chairman for Civilian Requirements will also not be a claimant for transportation and housing. It is not clear from the order what his status with respect to the Petroleum Administrator will be. It is noteworthy that in the course of the hearings Mr. Nelson answered the Senator from Connecticut [Mr. DANAHY] on such matters as follows—pp. 250-251 of hearings:

Senator DANAHY. I will say that I have personally concluded that there were various features in which you do lack authority to do perhaps some of the things that this bill strikes at.

Mr. NELSON. But I have never found in the fields that I cover anything that stood in the way of doing the job; that is, exclusive of transportation, fuel, and food.

It is quite apparent from what Mr. Nelson has said that the War Production Board is without sufficient authority on food, as well as on transportation and fuel to do the necessary civilian-supply job. It follows that the vice chairman for Civilian Requirements under the War Production Board must be limited by whatever authority the War Production Board is limited.

Consequently, the man responsible for civilian needs would have nothing to do with food, transportation, and possibly fuel, as well as new housing and manpower, under the general administrative order. How can a civilian-supply organization provide adequately for civilians during the war when, of the necessities of life, it can deal only with materials for clothing and similar things, while shelter, food, transportation, and medical care are outside its province?

In connection with the food problem I wish to make clear that the Food Administrator has control not only over edible foods but over fats and oils out of which are made such consumer products as soap and greases, castor oil, and so forth. Without representation before the Food Administrator to claim for soap, the vice

chairman for Civilian Requirements is supposed to see to it that there are adequate laundry facilities to launder the clothes of civilians. I would like to see a laundry operate without soap. This situation can be multiplied several hundred times.

The Food Administrator has control over such items as milk, sugar, casein, and turpentine and resinous products. These agricultural products are used in the making of paints, glues, and drugs, as well as many other consumer products for which presumably the vice chairman for Civilian Requirements is responsible. Without being a claimant—as are the military and export agencies—before the Food Administrator, how is the vice chairman for Civilian Requirements to assure that the necessary agricultural products are made available for the manufacture of civilian supplies? The general administrative order is defective in this respect as well as with respect to transportation, housing, manpower, and possibly fuel—all vital elements of maintaining adequate civilian supply. The Maloney bill corrects these defects.

The lack of official representation and status as a claimant before production and supply agencies other than the War Production Board would be a death blow to the attempt to maintain an adequate civilian economy. The military and export agencies long ago learned this lesson and were established as claimants before each and every production and supply agency so that they could bring into balance their entire programs.

I should like to say that Mr. Nelson said that the Army had in its organization on requirements and supply a quarter of a million persons. The General Administrative Order 2-99 merely establishes a claimant for civilians in one single agency—the War Production Board—and emphasizes the lack of representation before all the other production and supply agencies like the War Manpower Commission, the Rubber Director, the Petroleum Administrator for War, the Food Administrator, the Office of Defense Transportation, and the War Shipping Administrator. Without being able to assure sufficient quantities of the resources controlled by these other production and supply agencies, the civilian economy cannot be adequately protected and kept in balance. Mr. Nelson himself, during the course of his testimony before the Senate Banking and Currency Committee on S. 885, indicated agreement with the necessity for representation of civilian supply before other production and supply agencies. Thus, on page 249 of the hearings, is the following:

Senator MALONEY. Appreciating the seriousness of the civilian-supply problem, as you do—and you have made statements about it very recently—do you think it might have been proper if you had arranged to have civilian supply represented on food and manpower and transportation?

Mr. NELSON. It might have been, sir, and it may have been a mistake in not working that out at the time the order was put through. I agree with you.

It has not been done.

Mr. McNARY. Mr. President, would the Senator permit me to amplify the RECORD by a statement from Mr. Nelson?

Mr. MALONEY. Please do.

Mr. McNARY. Which I received today in answer to my own inquiry made on my own initiative and for personal reasons. I read:

Our civilian-supply set-up in the War Production Board has not been good, and I have been in the process of reorganizing it. I now have it organized under Mr. Arthur D. Whiteside, a man of unquestioned reputation and ability, and have signed, on Saturday—

That was 5 days ago—

an administrative order which gives him as much authority as any man can have to determine civilian requirements and to see that the necessary things are done consistent with the demands on the material and manpower which must be met to win the war. I think this agency should be given a chance.

Mr. MALONEY. The Senator from Oregon offers that at an inopportune time. I am exceedingly sorry—

Mr. McNARY. The Senator was discussing that phase of the matter.

Mr. MALONEY. I want it to go in the RECORD, and I want to comment on it.

Mr. McNARY. The Senator is now discussing that phase of the question.

Mr. MALONEY. That is correct, and I have nearly concluded. I have spent the last half hour proving that it is just a sham and it may result in a shambles.

Mr. McNARY. Mr. President, if what I have read disconcerts the Senator from Connecticut, I ask unanimous consent to withdraw from the RECORD at this time the excerpts which I have read from Donald Nelson's letter. I shall repeat them later.

Mr. MALONEY. I am sorry, but I did not make myself clear to the able Senator from Oregon. I did not mean that it was disconcerting to me. What I meant was that I have been dealing with that matter for the last half hour. I have been spending the last half hour, while the able Senator was compelled to be out of the Chamber, and while other Senators were compelled to be out of the Chamber, in discussing the order to which Mr. Donald Nelson referred in his letter which was on May 1, and proved, I think, to those who have done me the honor of listening, that he has not done anything about it except to say to Mr. Whiteside, "I have set up a civilian supply agency", and then to say to himself, "But there is not anything you can do." We have simply colored the old picture.

Mr. McNARY. I have been attempting to be wholly correct.

Mr. MALONEY. That is always true of the Senator.

Mr. McNARY. At this time I want to withdraw from the RECORD the excerpt I read into it. Mr. President, in order that the RECORD will not be encumbered by the excerpt, I ask that it be withdrawn. Later I shall read it and comment upon it.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Without objection, it is so ordered.

Mr. MALONEY. Mr. President, I hope I have not offended the Senator.

Mr. McNARY. Not at all; I think the Senator is probably quite correct.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. McKELLAR. I have not been present all the time during the course of the Senator's speech. I am very sympathetic with his bill; but there is one matter in it concerning which I should like to have a little information. As I understand the Senator's bill, it provides for taking out of the War Production Board the activity which now is a part of its activities, the part which the Senator calls the civilian supply.

Mr. MALONEY. The Senator is correct.

Mr. McKELLAR. Are we to understand, therefore, that the cost, with the exception of the Administrator's salary of \$12,000 a year, will be substantially or approximately what the cost is now; in other words, that it will not mean a large appropriation of additional moneys in order to carry on independently the supply activity now being carried on in the War Production Board? Is that correct?

Mr. MALONEY. The Senator is correct. The only way we would deviate from his suggestion would be if there were appointed a man who would violate the testimony of those who are best informed on the subject, and who told us that the agency could be operated with less than 1,000 men, and that they have been employing up to 600 now. So the Senator is substantially correct, on the basis of all the testimony we had.

Mr. McKELLAR. Yes. I asked that question of the Senator because, of course, generally speaking, I have opposed the addition of new activities. We already have a great many. I am already inclined to support the Senator's bill; but I should feel very much more inclined and more pleased to support it if I knew that the cost would be substantially the same as it is for the present organization.

Mr. MALONEY. Yes, Mr. President.

Let me impose upon the Senator and ask him to do me the honor of saying for the Record that I have been associated with him in the effort to reduce such expenditures.

Mr. McKELLAR. The Senator has. During our entire operations in the Appropriations Committee he has steadfastly stood for that thing; and as I read his bill, the cost need not be any greater than it is now.

Mr. MALONEY. I think that the Senator is correct.

Mr. President, I had just finished reading Mr. Nelson's statement before the hearings, in which he said he agreed with me. Yet Mr. Nelson, in his general administrative order, has not made provisions for such representation of the vice chairman for Civilian Requirements for such vital elements of civilian supply as food, fuel, manpower, and transportation. Only the so-called Maloney bill will fill those gaps so that a strong, central civilian-supply Agency can care for the war needs of the civilian population.

Mr. President, I had prepared an analysis of a letter which was written to Members of Congress by Mr. Edward A. O'Neal, president of the American Farm Bureau Federation. I know that the views of Mr. O'Neal have great weight with Members of this body. He knows them personally, and has been more or less in contact with them over the years. Later I shall make an analysis of Mr. O'Neal's letter if there appears to be a need for it. Because other Senators have indicated a desire to speak, I shall not do so at this time, other than to say that the letter itself indicates quite clearly that Mr. O'Neal was not referring to the bill now before the Senate, but his letter was drafted after having read the original bill to which the majority leader himself objected. Mr. O'Neal does not deal with the bill as it came out of the Senate Committee on Banking and Currency. I am inclined toward the view, prompted only by my own feeling, let me say, that Mr. O'Neal would deal much differently with the bill now under consideration. Later on, I may, if the need becomes apparent, take further of the Senate's time to present my analysis of his letter. However, for the time being, I think I shall rest at this point; although I may want to discuss another matter in a general way before we end.

Mr. MILLIKIN. Mr. President, will the Senator yield for a question at this time?

Mr. MALONEY. I yield.

Mr. MILLIKIN. In the Senator's earlier discussion did he explain the meaning of the first two sentences of section 2, subsection (3), with especial reference to the use of the word "manpower"?

Mr. MALONEY. That means just what it implies, as differed from the question of services. It means amounts and types of manpower.

Will the Senator repeat his question?

Mr. MILLIKIN. The specific point I have in mind is whether it gives authority to take a man or a group of men from one job and put them into another job, against their will.

Mr. MALONEY. That is the last thing it is intended to do, let me say to the Senator; and I do not think it would do that. I will be with the Senator as probably the last two Members of this body standing here and protesting if any attempt is made to do that. Certainly that is my position at this time. The provision does not mean the drafting of men. The matter would be handled under the War Manpower Commission by an official description of industries and areas and businesses as essential. As to the procedure under that case, I am assuming it would be for the Civilian Supply Administrator to say, "The laundry business is essential, at least in this area, and you will not take manpower away to put them into what you have heretofore called essential industries."

The Senator knows that the people of the country within certain age groups have been greatly disturbed because of the promise or threat that if they were engaged in a nonessential industry they

would be called for service, and that those in essential industries might remain where they were. The laundries were not originally regarded as an essential industry—I select them because we have had so much discussion of them. Largely as a result of Mr. Weiner's organization of civilian supply, laundries, at least in the area in which I live, have been called an essential industry. As a matter of fact, a study of the matter was made recently in Waterbury and Hartford, Conn. The report is not out, but I am advised that the whole area was declared essential, the purpose being, not to take manpower away, but to leave it there for laundries and for the other service industries.

Mr. MILLIKIN. Mr. President, let me call the Senator's attention to another part of the bill. At the very beginning, under the declaration of policy, it says:

The Congress hereby declares that the total mobilization of all the Nation's resources is necessary—

And so forth. As I understand, at a time when we are spending perhaps 65 percent of our national income for war, we shall have reached as high a level of expenditure as would be consistent with efficient conduct of the war effort. If that be true, and taking the words literally, will there not always be a part of our civilian life that is not totally mobilized for war? In other words, is that a rhetorical expression, or does it mean exactly what it says?

Mr. MALONEY. It means we should aim to get everything reasonable out of all parts and portions of our population, that every man should make every contribution he can make, and that the Government should not erect any barriers, but should assist every man in making his maximum contribution—keeping the lumberman supplied with food so he can do his utmost to comply with the demands for lumber, keeping the miner supplied with all he needs so he can mine more coal—or perhaps more silver.

Mr. MILLIKIN. I appreciate especially the Senator's solicitude with respect to silver. I hope he continues to think along that line. Would it be fair to say that the intention of the sponsors of the bill is to aid in the mobilization of so much of our economy as is necessary, and no more?

Mr. MALONEY. Yes.

Mr. MILLIKIN. Or are we pursuing some over-all mobilization, as we so frequently hear it expressed rhetorically on the floor of the Senate?

Mr. MALONEY. I have already stated to the Senator and to the Senate that I am opposed to the Austin-Wadsworth bill. I am opposed to the drafting of civilians. I am opposed—to the extent of language which I would not use on the floor of the Senate—to the suggestion that we draft women. I can conceive that there may come a day when it will be necessary to do things which are pretty repugnant to us right now, but we are pretty far from that situation now. I do not know that I could be described as an idealist, to the extent that some men are. I do not think anyone

would call me an extremist. I am trying to be conservative, modest, and sensible so far as this bill is concerned. I am rather proud of the part which I have been permitted to play in the presentation of the bill. I am sure that it is imperfect. Certainly it could be improved upon. However, I think it is a good bill. I think it is sane and sensible, and I think it is extremely necessary. At least, I think I have proved to Senators who have listened to me for the past half hour or more that the new order of Mr. Donald Nelson, as Chairman of the War Production Board, cannot do the necessary work. His appointees' hands are tied. I have no criticism of Mr. Whiteside, the man whom he has just appointed. He comes from my State, and I am informed that he is a very fine man, but he cannot fulfill his mission under this order.

Mr. MILLIKIN. I thank the Senator for his courtesy.

Mr. RADCLIFFE. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. RADCLIFFE. When the Senator uses the word "mobilize," I assume he means directly and also indirectly. He is using the word indirectly, I assume, in its broadest sense. If we consider it from that standpoint, it is probably true that everyone in the country will fit into the war picture in some way or other.

Mr. MALONEY. That is correct.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. VANDENBERG. Two days ago the Governor of Michigan arrived in Washington with his State council to present a rather novel proposal to the Office of Defense Transportation and the Office of Price Administration. It is deemed absolutely essential, as a result of the council's studies, that there shall be reasonable summer vacations for war workers within the Michigan area, as a matter of successful prosecution of the war and "keeping the civilian population healthy and functioning effectively," to use the language of the bill.

The plan has been developed on the basis of so-called certified vacations. That is to say, the worker shall not be allowed to take a vacation unless he is certified by his employer as entitled to it on the basis of his production record. Secondly, he must take it at a time when it would not interfere with war production. Meanwhile, it would be arranged that he should have the place for his vacation available elsewhere in the State. It is a thoroughly novel plan for certified vacations for war workers, within the language of the declaration of policy in the bill, namely, that it is necessary for the successful prosecution of the war that the civilian population should be kept healthy and functioning effectively.

This is what I wish to ask the Senator: Suppose Congress should enact Senate bill 885 and create the Civilian Supply Administration. Would the Civilian Supply Administration be the agency to which the Governor of Michigan would appeal with a program of this nature, instead of the Office of Defense Trans-

portation or the Office of Price Administration?

Mr. MALONEY. The very able Senator has said that the idea is entirely new. I should assume—and this is an unstudied opinion—that the appeal might very properly be directed to the Civilian Supply Administrator.

Mr. VANDENBERG. What would be the Civilian Supply Administrator's inherent authority to deal with it conclusively, if at all?

Mr. MALONEY. I assume that the first thing he would do, if he were already fortified with information, would be to ascertain, if travel by boat were desired, what the gasoline situation was. If travel by train were desired, he would ascertain what the transportation situation by rail was, and if he concluded that there was a sufficient amount of whatever the needed material was, I further assume he would give careful thought to the importance of vacations for war workers in view of their contribution to the Army and Navy. I think he would have to arrive at some decision.

The question might go to the President. The Administrator would say to Mr. Eastman, if trains were involved, "We ought to have an extra train out to this part of Michigan." Or he might say to Mr. Ickes or Mr. Brown, "We must have enough gasoline to operate these boats." If there were a disagreement and he were not satisfied, he would take the question to Mr. Byrnes, who would decide it.

The idea is new. I am giving what the distinguished Senator from Texas [Mr. CONNALLY] would call a horse-back opinion. I do not know. As I look at it now, I do not think it is a very difficult question to answer, if one had time to make a little inquiry.

Mr. VANDENBERG. I was hopeful that the Senator's answer would be that at least in a primary sense the control of the problem would rest with the new instrumentality, because the thing strikes very fundamentally at health and efficiency, particularly in the metropolitan Detroit area, which has produced 10 percent of all the armaments which are going into national defense.

Unfortunately, up to date the response has not been particularly sympathetic in other directions; but in other directions the authorities are not charged, in the language of the bill, with keeping the civilian population healthy and functioning effectively. Therefore I am hopeful that the Senator is correct when he says that the answer to my question is that under the terms of the bill there would be a place where the Governor of Michigan and his experts could go to an authority charged with keeping the civilian population healthy and functioning effectively.

Mr. TAFT. Mr. President—

Mr. MALONEY. Mr. President, because the very able Senator from Ohio seems anxious to answer the question, and because he is one of my lawyers, I yield to him. [Laughter.]

Mr. TAFT. Mr. President, I should say that the situation presented by the Senator from Michigan very well illustrates

one of the important functions of a civilian supply administrator, as I conceive it. Ordinarily the Governor of Michigan would come to Washington and the Senator would arrange for him to see Mr. Nelson and Mr. Eastman. He would have an interview with those gentlemen, and then he would go back to Michigan and nothing would happen. Everything would remain just as it was before. I have been through that procedure time and time again.

If we had a Civilian Supply Administrator, and the Civilian Supply Administrator should say, "Yes; that is a program for which we stand," then the Governor of Michigan would go back to Michigan and the Civilian Supply Administrator would keep pushing day and night for the various allocations necessary to obtain the trains and other things which were needed. He would sit in the inner council, where those problems are considered and finally decided.

To my mind, the situation presented by the Senator from Michigan illustrates the need for a Civilian Supply Administrator. My answer is that that is a very good example of the function of a Civilian Supply Administrator and what he might accomplish. Otherwise, businessmen and others who come to Washington have an interview one day, the next day they are gone, and the next week they are forgotten. They expect their Senators to keep after the problem every day. Of course, we do not; and gradually the whole project disappears.

Mr. VANDENBERG. Mr. President, I am very grateful to the Senator from Ohio for his supplementary testimony. Of course, the thing which happened to the Governor of Michigan is precisely what he indicated. He came here with his staff and was very cordially received by Director Eastman. I am speaking with the greatest earnestness about that. Mr. Eastman could not have been more cordial in his reception; but what Mr. Eastman had to consider was the question of how many trains he had and what should be done with them in respect to their mathematical distribution. There was nothing involved in Mr. Eastman's responsibilities which had anything to do with keeping the civilian population healthy and functioning effectively.

Director Brown, of the O. P. A., himself coming from Michigan, naturally was particularly sympathetic with the proposal. Perhaps he may yet do something about it; but I suspect that in the final analysis the Governor of Michigan will discover that his trip to Washington has concluded precisely as the Senator from Ohio indicates.

What I wish to know is whether or not there is to be an over-all responsibility in the Civilian Supply Administration to accomplish the fundamental things which are now deemed by many of our authorities to be so essential. In my opinion, the situation which I have outlined illustrates the need for such an agency.

Mr. TAFT. Mr. President, in my opinion the answer to the Senator's question is clearly "yes." I believe that that is just the sort of thing for which the

Civilian Supply Administrator would be expected to assume responsibility.

Mr. WHEELER. Mr. President, I have received from Mr. Joseph B. Eastman, Director of Defense Transportation, a letter dated April 23, enclosing copy of a letter which he addressed to the Senator from Connecticut [Mr. MALONEY] stating his opposition to Senate bill 885. I ask that the two letters be printed in the RECORD as a part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OFFICE FOR EMERGENCY MANAGEMENT,  
Washington, D. C., April 23, 1943.  
Hon. BURTON K. WHEELER,  
United States Senate,  
Washington, D. C.

DEAR SENATOR WHEELER: I am enclosing herewith a copy of a letter which I have addressed this day to Senator MALONEY concerning S. 885, which would establish a Civilian Supply Administration. The letter, I think, is self-explanatory.

I will appreciate it very much if you will give the letter and its contents such consideration as you can and make such use of it as you wish, as I feel that the bill, if enacted, would have very serious effects upon our present transportation system.

Very sincerely yours,

JOSEPH B. EASTMAN,  
Director.

OFFICE FOR EMERGENCY MANAGEMENT,  
Washington, D. C., April 23, 1943.  
Hon. FRANCIS MALONEY,  
United States Senate,  
Washington, D. C.

DEAR SENATOR MALONEY: I am informed that S. 885, introduced by you last month, has now been reported favorably by the Committee on Banking and Currency, and will soon receive the consideration of the Senate. My attention was not at once called to the bill, and thereafter I was reluctant to seek an opportunity to be heard, assuming that in view of the close relation of the bill to the transportation service of the Nation, the committee would request my appearance at some designated time. The fact that no such request was made suggests that the committee may not have regarded my views on the bill as important. Whether or not this was the reason, I have, of course, no criticism to offer. However, because of my conviction that the bill, if enacted in its present form, would have serious consequences in the field of wartime transportation, I feel that I should at least go on record in regard to the matter. Therefore, I take the liberty of addressing you, and hope that what I shall have to say may have the benefit of your consideration and also be brought to the attention of the Senate before final action is taken by that body.

Insofar as it applies to transportation, the bill provides that the Civilian Supply Administrator shall first determine the amount and type of transportation services and facilities necessary to keep the civilian population healthy and functioning effectively, and then determine and apply to the appropriate Government agencies for the amount and type of manpower, facilities, services, materials, and supplies required to establish and maintain such transportation services and facilities. After the supply agencies have allocated to the Administrator the productive resources claimed, the Administrator will determine the specific civilian purposes for which they shall be used, and the supply agencies will carry out such determination. It is further provided that the Civilian Supply Administrator is authorized to determine the need for rationing transportation services

to the civilian population and when and where rationing shall be instituted. The appropriate agencies would be required to carry out such determinations.

I believe the bill is introduced in support of the theory that essential civilian supply must be treated equally with war production, that civilian and military demands on productive resources can and should be segregated, and that all civilian requirements should be represented and claimed for by one agency, the Civilian Supply Administration.

The war agencies of the Government are set up on functional lines. One has charge of industrial production, including allocation and priorities; another, price regulation; another, manpower; another, food production and distribution; another, communications; another, overseas transportation; another, domestic transportation; and so on. Each of these, of necessity, has responsibilities in both military and civilian fields. The establishment of a separate civilian agency, as the protector of a very vague and undefined interest, would cut across all of these agencies in complete disregard of their functional character, and certainly to the detriment of their successful operation.

Whatever may be the problems involved in a segregation of civilian and military requirements in the field of production and the rest, I am certain that no such segregation can be made applicable to the Nation's transportation services and facilities. These services and facilities cannot be divided and the operating units thereof earmarked for or allotted exclusively to civilian use as against military use or vice versa. These services and facilities are and must be used jointly and interchangeably, the quantity and type to be devoted to any particular use depending on the demands of the time, place, and purpose.

Consider, for example, steel rail. How would it be possible for anyone to determine the amount of such rail for replacement purposes that the railroads need to maintain transportation services necessary to keep the civilian population healthy and functioning effectively, as distinguished from the amount that they need for purposes more directly related to the war effort? The same question may be asked with equal pertinence in the case of any item of railroad property, or with respect to any other type of transportation.

If it is agreed that transportation presents but a single problem, then there must be a single claimant to determine and apply for the materials and equipment required to establish and maintain the transportation service essential for both civilian and military needs. This is exactly the function the Office of Defense Transportation is now performing. I feel it would be most unfortunate if an attempt should now be made to thrust a new and separate agency part way into the field of determining transportation priorities and preferences or of supplies and materials for transportation purposes. The fact is that it would be impossible for the proposed Civilian Supply Administrator to stop part way. He could only go the full distance and determine and apply for the materials and equipment necessary for wartime transportation as a single entity.

In such a situation there could be only three possible results. One would be for the Civilian Supply Administrator to accept and support the conclusions reached by the Office of Defense Transportation. Another would be for both agencies to present separate and independent conclusions. The third would be for the Office of Defense Transportation to retire from this field and leave it to the Civilian Supply Administrator. Except for the first of these alternatives, it would be necessary for the Civilian Supply Administrator to equip himself with a staff such as

the Office of Defense Transportation already possesses. This would add to the numerous instances of divided responsibility and duplication of effort which have existed in many Federal war agencies but which, in the field of transportation, have been alleviated to the extent that transportation has been recognized as an integrated function and not made the subject of divided authority.

It cannot, I think, be claimed with any semblance of foundation in fact that the transportation system of the Nation has not thus far met both civilian and military needs adequately. Indeed the criticism with which I am frequently met, in Washington but not elsewhere, is that the civilian needs have too generously been met. While I do not agree with this criticism, it seems to be reflected in S. 885 by the emphasis which is placed upon the possible need for rationing transportation services to the civilian population. That is, I may say, a thought which has particularly found support in military circles.

If S. 885 should become law in its present form, I am quite certain that I would be unable effectively to carry out the responsibility for domestic transportation service which has been placed upon me by the Executive orders of the President. It would, as I see it, create a chaotic and impossible situation.

I believe that I understand what you are endeavoring to accomplish in this bill, and to a degree I sympathize with that intent. My thoughts on the general subject were set forth at length in a letter which I wrote Senator MURRAY on February 20, 1943, and which he no doubt will make available to you, if you care to read it. I do not feel, however, that S. 885 in its present form will prove at all satisfactory in its results. If you care to go into the matter at greater length, I am, of course, at your command at any time.

Because of his known and long-standing interest in transportation, I am forwarding a copy of this letter to Senator WHEELER.

Very sincerely yours,

JOSEPH B. EASTMAN,  
Director.

#### CONDITIONS IN JAPANESE RELOCATION CAMPS

Mr. ROBERTSON. Mr. President, I wish to call attention of the Senate to a matter of vital importance at this time. I refer to a condition existing in the Japanese relocation camps under the supervision of the War Relocation Board. I feel it is very necessary that something should be said in the hope that by bringing this question to the attention of the Senate, the committees which are charged with the duty of looking into the matter will be encouraged to take prompt action to correct a situation which is rapidly developing in such a way that it may easily get beyond the control of the parties who are responsible for operating and keeping order in these camps.

The situation has become much more serious in the last few weeks, especially since the publication of the murder by the Japanese of our brave aviators who took part in the air raid on Tokyo under General Doolittle some 12 months ago, and the still more recent intimation regarding certain of our men who are prisoners of the Japanese on Bataan "that appropriate punishment has been meted out to those who posed as noncombatants."

Since Kipling wrote, "Oh, East is East and West is West, and never the twain shall meet," truer words have never been written or uttered.

Mr. President, everyone knows how Japanese camps came to be located in the various Western States. The military authorities decided that it was against the interests of the Nation to allow the Japs to remain within a zone adjacent to the Pacific coast, and a number of internment camps were located. What I am now saying is, I believe, applicable in a general way to all these camps, but the information on which I am basing my statements is largely the result of an investigation made at the Heart Mountain Relocation Camp in northwest Wyoming.

When the question of this camp in Wyoming was first raised, it was strongly opposed by the then Governor, Nels H. Smith. Governor Smith's attitude was straightforward, it was western, and consequently thoroughly American. He said, "The only condition under which we will have them is that at the conclusion of the war they shall be returned to the place whence they came, and that if they are used to work on our farms or in the beet fields, they must return to the camp on a stipulated date."

What has actually occurred? Many of these people have left the camp for town jobs in Wyoming, Montana, and other States, just as have those who are working for Secretary Ickes. They are supposed to be loyal citizens. It was evidently the assumption of the relocation authorities that any American citizen of Japanese ancestry was a loyal American. Anyone who has ever had dealings with these people knows that such an assumption is false and impossible.

Mr. President, in general, these camps consist of three distinct classes of internees; first, the old-line Japanese, Japanese citizens who are mostly of the farmer-peasant type, and not particularly well educated. The majority of them do not speak English. In most cases they have been in the country at least 25 years. They left Japan before the present military regime took control. They are the older internees, and, in general, want no trouble.

The second group is composed of Japanese who were born in this country, and sent to Japan for their education. They speak fluently both Japanese and English. Their sojourn in Japan and their period of education was during the present Japanese military regime. Many of them are American citizens, but in general they are loyal to Hirohito and the military regime of Japan.

The third group are the American-born citizens who have received their education in this country, and have grown up surrounded by our customs and habits, and live a normal American life. They are the youngest group.

Of these three groups the most dangerous is the second group. They intimidate the third or younger group, and endeavor to force upon them their idea of the Japanese military control of Asia. This idea is the predominant concept in the camps today. These three groups are not segregated in any manner. They

live in the same camp. There are no restrictions of any kind as to mixing or meeting one with another. They eat together and live together.

In the Heart Mountain Camp in Wyoming there are over 10,000 internees. I doubt if "internee" is the correct word, but it is the word used for Japanese and Jap-American inhabitants of these camps. The Japanese are normally industrious, hard-working people.

Mr. President, is it not courting trouble and creating dissension to move over 10,000 hard-working, industrious people into a camp and deprive them of all opportunity to work or even engage in normal exercise? That is just the situation which exists in this Japanese camp today, and I imagine in most of the other Jap internee camps in the United States. They have had little or nothing to do for over 6 months, and there is very little prospect of their having any considerable work to do during their internment. They are well housed, better, in fact, than are 75 percent of the people of the State of Wyoming. They have plenty of food, such as meat, canned goods, fresh vegetables, fruit, butter, cream, and milk. They are not rationed. They apparently can get all the intoxicating liquor they want. In fact, every factor is perfect to encourage the existence of the worst possible condition. The camp to which I refer, with others, is controlled by the War Relocation Board. The personnel is typical of the incompetent, wasteful, extravagant, spend-all-the-money-you-can type of administration which has grown up in the last 10 years.

Six or eight months before Pearl Harbor a number of men from northwestern Wyoming went to Wake Island to work. Many of them were still there at the time of Pearl Harbor and the whereabouts of many of them today is unknown. Can you imagine, Mr. President, the feeling and attitude of the relatives of those men? Here they see these Japanese coming and going in their cities, being well paid, and living on the fat of the land at our expense. Their children are being taught free by the highest paid teachers in the State. The school districts of Wyoming cannot compete with the high wages which the War Relocation Board pays teachers.

The authorities of this camp have purchased, or have possession of a sawmill and logging camp located about 60 or 70 miles from the relocation camp. The object is to obtain lumber for further camp construction. The only road between the camp and the sawmill passes right by the great Shoshone Power and Irrigation Dam, which is situated about 30 miles west of the Jap camp. It is a concrete dam over 300 feet high, which supplies irrigation water for some 250,000 acres of food-producing land and for electric power which radiates over a large part of Wyoming and into Colorado. The Jap internees go back and forth every day without any special guard. True, there is a local guard at the dam, but of what value would he be against a dozen armed Japanese. I say armed advisedly, because there is nothing to prevent these internees from

going into any store and buying anything they want and taking it into camp and out again. No inspection of the camp internees or their automobiles or trucks is made.

Mr. President, the object of my speaking on this subject today is to try to bring before the Senate a very serious situation confronting the Nation. Already there are more than rumblings of trouble breaking out in this camp. I say there is trouble both within and without the camp. Within for the reasons I have stated. Without for the very natural reason that Americans are not going to stand by and see this administration pampering and petting a bunch of disloyal internees, supplying them with food in quantity and quality they cannot get themselves, when all the time they know that their own fathers, brothers or sons are being murdered or mistreated, or, at best, just being permitted to exist by the Japanese war lords.

The situation is more serious than I can convey to the Senate. A subcommittee of the Senate Military Affairs Committee under the chairmanship of the able junior Senator from Kentucky [Mr. CHANDLER] has conducted hearings and has visited a number of these camps with the purpose, as I understand, of considering the advisability of turning the management of the camps back to the Army. Mr. President, it is essential that something be done and done quickly; otherwise it will be impossible to prevent regrettable incidents. The present set-up cannot continue without trouble.

The United States has been endeavoring to draft or enlist some of these Japanese, who are American citizens, into our Army, and a questionnaire was submitted to them. One question in the questionnaire was of a most interesting nature, and was to the effect, "Are you prepared to fight in the United States Army, or would you prefer to be repatriated to Japan and fight for Hirohito?" That was the substance of the question, and from 70 to 80 percent of these Japanese-American citizens stated that they would prefer to be sent to Japan.

I helped obtain permission for an investigator on the staff of the Denver Post, to go to the Wyoming Relocation Camp and investigate the conditions there. I knew perfectly well that under normal conditions, when he presented his permit at the headquarters of the camp, he would be well received, taken around and shown just what the authorities wanted him to see and nothing more; so I took steps to see that this investigator was acquainted with some of the many extraordinary conditions which I had been led to believe existed in that camp. This investigator went to the camp. He was received by the manager, who advised him that it was in excellent order; that he wanted him to go any place he saw fit and that he would give him a guide. Much to the surprise of the guide, the investigator singled out cook compound No. 21, and, to the amazement of the guide and the consternation of the camp officials, he climbed to the attic and discovered quantities of rationed foods, or-

dered by the Japanese chef and secretly stored there. The same was true in barracks No. 6 and others. The amount of foodstuffs checked in the camp is fantastic; in fact so fantastic that I feel they must be made a part of this record. This investigator found a three years' supply of some foodstuffs.

Mr. President, I shall not take up the time of the Senate giving a list of all the foodstuffs this investigator found, but I ask that the newspaper reports of the investigation, which I have here in my hand, be inserted in the Record at the close of my remarks and be made a part thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A at the conclusion of Mr. ROBERTSON's remarks.)

Mr. ROBERTSON. I do, however, Mr. President, desire to call attention to a few items mentioned. He found a \$12,000 supply of baby food, that is, strained vegetables and fruits, 268,293 cans of rationed vegetables, 86,480 cans of fruit, 6,853 gallons of mayonnaise, and the camp manager told the investigator that 4,000 gallons more had just been shipped to other camps. While he was in the camp, the investigator saw 29,300 pounds of meat delivered, consisting of pork loins and beef quarters.

A summary of the canned vegetables, such as tomatoes, beets, beans, peas, spinach, pumpkin, corn, and sauerkraut, and the fruits, including pears, peaches, cherries, and blackberries, shows a total of 20,017,222 points, or enough rationed foods for the 10,300 internees for 3 years 7 months and 14 days; that is, if they were subject to the same conditions of food rationing that you and I are subject to, today—which they are not.

There are many signs of waste and incompetent ordering. For instance, there are 100 tobacco carts. What for? No one knows. One hundred and twenty sets of mule harness, although there is not a mule or a horse at the camp, and mules are rarely used in that section of the country. Lying around in the weather are 100 or more wood-heater stoves, and radiators rusting out in the open, and building material in piles, broken by the weather.

It is very apparent that the authorities have no control whatsoever over the inmates who do pretty well as they wish. Inside the camp, 1,200 Japs profess loyalty to Hirohito and his war regime, and are free to go about preaching the doctrine of Japan, and intimidating and threatening those who profess loyalty to the United States.

Wanton waste pertains to every aspect of this camp, and no effort is made to check it. The same kind of thing that is taking place at the Heart Mountain camp is evidently going on at other camps, and is portrayed by the article by Westbrook Pegler in the Washington Daily News of April 30, from Sacaton, Ariz., in which he says:

We, the great-hearted, idealistic people of the United States of America have got ourselves into a terrible fix with these Japanese of ours—14,000 of whom are impounded, so to speak, in the concentration camp which we call a relocation project, on this God-forgotten Arizona desert.

The native Americans among them are entitled to every right and privilege of citizenship, but many of them are hateful, reptilian enemies of our country who would delight to do us dirt if they could.

Mr. President, the situation I have attempted to outline to the Senate is a serious one. The people of Wyoming, and of other States where these camps are located, are not going to stand by and see these Japanese, whether they are American citizens or not, petted and pampered. Our people are doing all they can in the war effort, doing without many of the necessities of life, certainly doing without many of the things which these Japanese are being given by an indulgent administration. Is it difficult to imagine the feelings of our people who see this day after day, who think of their loved ones fighting at Guadalcanal, New Guinea, the Marshall Islands, or who are prisoners of war of Bataan, Corregidor, or Wake Island? What kind of treatment are these prisoners of war having meted out to them in the Japanese camps? Murder and "appropriate punishment."

Mr. President, these Japanese must be segregated into their different classifications. They must be kept in an internment camp, kept inside, Mr. President. They must be treated as prisoners of war, and unless they are, the responsibility for whatever happens will rest on the head of this administration.

#### EXHIBIT A

[From the Denver Post of April 23, 1943]

FOOD IS HOARDED FOR JAPS IN UNITED STATES WHILE AMERICANS IN NIPPON ARE TORTURED—3 YEARS' SUPPLY HELD IN WYOMING CAMP—RATIONED ITEMS PILED UP THAT ENEMY NATIONALS MAY WAX FAT

(By Jack Carberry)

CODY, Wyo., April 23.—American flyers have been executed—"murdered" is the accurate word—by the Japanese. Every tenet of international law and human decency has been flouted.

Thousands of other Americans—soldiers, sailors, marines, and civilians, men, women, and children—are prisoners in Japan, locked in squalid concentration camps, subjected to daily cruelties, forced to perform the hardest and most degrading labor, and subsisting on the meagerest starvation rations.

That's the Japanese way.

With President Roosevelt's announcement of the barbarous killing of our flyers, captured after the raid on Tokyo, still ringing in the Nation's horrified ears, the story of prodigality, waste, and extravagance that marks our treatment of Japanese guests in war relocation camps becomes even more striking than it would be normally.

#### OPENLY DISLOYAL JAPS PAMPERED

I have just returned from a 3-day trip to Heart Mountain, the War Relocation Authority's camp 23 miles north of Cody.

There I saw the 10,300 Japanese residents, some native-born, others citizens of Japan, at work—God save the mark—and at play. I talked with and interviewed those in authority, including starchy-eyed dreamers, who pamper and pet, coddle and cater to even the most outspokenly disloyal among their charges.

I visited and checked warehouses, filled to their very eaves with every type of rationed food, much of which cannot be purchased for love or for money, with or without ration stamps, by the American men and women who founded and peopled these American hills.

I came here to check a report made not only to one but to four governmental agencies by a former camp employee, who fighting with the Canadians, was wounded at Dunkerque, and whose son died in battle in Africa on January 11 last.

#### FOOD SUPPLY FOR YEAR REPORTED

Earl Alfred Best, assistant steward at the Heart Mountain project, now, a resident of 1629 York Street in Denver, informed his superiors at Heart Mountain, Army authorities, Cody officials, and finally the Federal Bureau of Investigation, that the War Relocation Authority was piling up hoards of food here that, in his opinion, were sufficient to do the residents of the camp for more than a year.

He stated that to his knowledge Japanese residents of the camp were hiding these foodstuffs in attics, and in some instances exchanging ration commodities for whisky. He named names of those he charged were "selling" liquor to camp residents in exchange for hams, bacon, canned goods, and fruits.

#### QUITS POSITION IN DISGUST

Although Best, in his report, gave locations of where he said hidden stores of food could be found, no action was taken. He then resigned on April 1, giving as his reason an unwillingness to work in such an atmosphere.

On my visit to Heart Mountain camp I found the evidence to support Best's charges—found cases of foodstuffs where he told his chiefs, weeks ago, they could be found. I discovered not the year's supply of rationed food which Best said jammed the camp warehouses, but more than three times that amount.

I saw a carload of the finest oranges and another carload of the choicest grapefruit being unloaded and stored. In mess hall iceboxes I found crates of avocados. Hidden in attics, I discovered cases of cereals and fruits and shrimp—shrimp that is purchased for the Japanese residents—in the little 10-ounce cans for which the American housewife must not only give 31 cents in Denver stores, but three precious red points as well.

#### OVER 3 YEARS OF RATIONED FOODS

I discovered canned vegetables—tomatoes, beets, beans, peas, spinach, pumpkin, corn, and sauerkraut—and fruits, including pears, peaches, cherries, and blackberries, with a total point value of 20,017,222. This checked against the camp population of 10,300 equals a supply of these rationed foods which should last for 3 years 7 months and 14 days.

I watched meat trucks driving in from Billings, Mont., delivering pork loins, little pig sausages, and beef quarters—29,300 pounds of this butchered meat last week.

Kitchens, everywhere, were filled with canned foods of every type and description—food purchased not in the gallon-size cans, but in the convenient No. 2 and No. 2½ size cans, which could well lend themselves to exchanges for whisky, such as Best charged in his report to his chiefs.

#### STORES OF FOOD BEYOND BELIEF

I gained admission to the bulging warehouses and the foodstuffs found there were beyond belief.

Upon my arrival at Heart Mountain I asked for an inventory of foodstuffs on hand. This, I was informed by Fred Haller, camp steward, was not available, although he stated his office kept a perpetual inventory which, although not compiled, permitted a check at any time.

I demanded such a check, and that a counting of foodstuffs on hand be made. The check was made, as to the foodstuffs in the warehouses. Time did not permit a check of additional cans, packages, and supplies in camp kitchens and pantries. Some pantries, I found, contained hundreds of cans of

food while others had much smaller amounts on the shelves.

The figures, used here, are those arrived at in the check of the warehouses only, and do not include additional thousands of dollars worth of foods stored in mess-hall kitchens.

There were five babies in the camp hospital. In the camp warehouse I found a full carload—\$12,000 worth—of baby foods, such as strained juices, spinach, carrots, and other similar baby foods.

My visit to Heart Mountain was known to officials there before my arrival. They had been tipped from Washington, they told me, that I was coming. I was told by officials five carloads of canned foods had been shipped to other camps before my arrival. Director Robinson, during the course of my inspection, told me that he had given orders that said, as he put it: "See that he finds nothing wrong."

It was interesting that the very first kitchen I asked to inspect was Nos. 21-27. Accompanied by War Relocation Authority officers, I entered the pantry. It was well stocked. There were sacks of rice and the shelves were loaded down with every type of canned fruit and vegetable.

"Where," I asked the Japanese cook in charge, "are the rest of your supplies?"

He protested loudly. Everything, he said, was in plain sight. I asked to see his attic. Laying hands on me, as I got a barrel and climbed up to enter an attic door, he said:

"The only thing up there is some old macaroni."

"I'll take a look," I said.

In this attic—the very first one I entered—I found secreted under the eaves 10 cases of corn flakes and 10 cases of fruits and shrimp.

"I can't understand it," Robinson said. "I told them to see to it that you found nothing wrong."

But as great as were the supplies in kitchen pantries and no matter how much may be hidden beneath the eaves of the 456 barrack-like apartment buildings and 42 mess halls at Heart Mountain, the stores of food stacked in the warehouses is even more amazing.

In the warehouses I found 86,480 cans of fruit—81,860 of these are the No. 10 or 6½-pound can.

**TWO HUNDRED AND SIXTY-EIGHT THOUSAND TWO HUNDRED AND NINETY-THREE CANS OF RATIONED VEGETABLES**

I found 268,293 cans of rationed vegetables, 114,885 of these the No. 10 cans and 153,408 No. 2 cans.

I discovered 141,405 packages of cereals—corn and wheat flakes, rice krispies, grape-nuts, farina, rolled oats, and similar breakfast foods.

Stacked to the eaves in the warehouses and on pantry shelves in the mess halls were 61,914 jars of jellies and jam—grape, peach, plum, orange, strawberry, apricot, and apple butter.

There were 58,849 pounds of macaroni, spaghetti, and noodles and 10,320 pounds of dry beans and split peas.

There were 5,208 one-pound and 1,608 two-pound boxes of soda crackers and 4,452 pound packages of graham crackers.

#### SPICES ALMOST BEYOND COUNTING

Spices almost beyond counting, for they are purchased in the little 4-ounce cans, such as the single apartment dweller might buy, sat on shelves. There were 3,070 of these tiny cans of cinnamon, 1,229 of cloves, 2,168 of mustard, and 6,247 of pepper, plus a 100-pound barrel of pepper.

I found 6,853 gallons of mayonnaise—and just before I arrived, according to Robinson, some 4,000 gallons had been shipped out to other camps.

This was part of the five full cars of commodities which were shipped from the camp just before I got there.

Robinson and his chief steward, Fred Haller, placed part of the blame for these gigantic stocks on the Army Quartermaster Department.

"We," Robinson said, "put in our order for foodstuffs. This goes to the Army quartermaster and he makes the purchases. It is the Army's system to send us, in many instances, a full carload when we ordered less. You see we have free storage space here and articles can be bought and shipped cheaper by the car. Then we can send it from here to other camps, as it may be needed."

#### THE ARMY'S WAY OF DOING THINGS

Robinson did not explain how it is cheaper to ship to remote Heart Mountain, unload a car, store it, and then reship it to some other remote camp than to have the shipment go to that camp in the first place.

"It is the Army's way of doing."

The Army, however, does not purchase supplies other than the foodstuffs.

The Army had nothing to do with 20 new Fordson tractors which arrived just before I reached camp, or with 120 sets of mule harness and 100 tobacco carts which got there somewhat earlier. There is not a mule or a horse on Heart Mountain, and it was some days before anyone there knew what the two-wheeled carts which arrived with the harness were for.

Lying in the weather are 100 or more wood heater stoves. Piled about to rust are radiators which were to have been placed in two elementary school buildings which were never constructed. Firebrick, which was to have been used in these buildings, lies broken and scattered, and compoboard, its wrappings ripped away by the winds, stands in piles awaiting the first rains and ruin.

#### TRACTORS USED TO RUN RACES

The Fordson tractors and several new Diesels, including a gigantic bulldozer, are being used to plow up 1,900 acres of nearby land, which, Robinson says, is to be put into vegetables to supplement the more than 3½ years of canned supplies already on hand. These are used only through part of each day, the farm workers being on the camp's 5½-day, 44-hour week. Much of this time the tractors, in their silver-painted newness, are used in the fields by the Japanese workers to run races.

They tell you, "It's sure fun to drive them in high."

And even with such inducements as this, the camp is finding extreme difficulty in getting its residents to work on the farm or at their other tasks.

In articles to follow this one I will tell you what I found relative to the labor problem at Heart Mountain.

[From the Denver Post of April 24, 1943]

**AMERICA'S JAP "GUESTS" REFUSE TO WORK BUT NIPS ENSLAVE YANKEES—HOSTILE GROUP IS PAMPERED AT WYOMING CAMP—EVERY PRIVILEGE EXTENDED TO 1,200 WHO PREACH GOSPEL OF TOKYO**

(By Jack Carberry)

CODY, Wyo., April 24.—Americans—the gallant marines of Wake, 37 of whom came from this very town; the Red Cross nurses of Bataan, and the soldiers of the Solomons—now held in Japanese concentration and prison camps are not being asked to work.

They work—or else. And "or else" is death, or daily beatings, the water cure, starvation, and every possible indignity.

Here, at Heart Mountain relocation center, where the War Relocation Authority is host to some 10,300 men and women of Japanese blood, the pampered and petted charges of the Government are not only being politely asked to work, but are being flooded with offers of gainful employment, under conditions far better than most of them, before coming to the center, ever knew.

Few of the Japs accept these offers.

One reason for this is that at Heart Mountain there are more than 1,200 men and women, some American-born, others Japanese-born, who, in a registration last February asked either for repatriation or expatriation to Japan, there to serve their Emperor.

No distinction has been made between these twelve-hundred-odd camp residents and those who stated, in their registration papers, that they would be loyal, working and fighting for America.

Every privilege—social functions organized by the War Relocation Authority social service workers at the camp and the games and sports and entertainments—is afforded these 1,200 admittedly disloyal Japanese. They are given the same food, allowed the same free access to the outside, including trips to the center's sawmill located within the very shadow of the great Shoshone power site, and treated in all other ways just as though they were loyal Americans of Japanese ancestry.

Inside the camp these 1,200 go about freely, preaching the gospel of Japan.

Not only that, but they threaten those who have expressed loyalty to America.

Japanese residents of the camp told me, during a 3-day inspection of the center, that they feared to leave Heart Mountain—feared to accept outside employment and leave their families, including small children behind.

These 1,200 disloyalists are now talking strike on May 1.

#### DIRECTOR LAUGHS AS STRIKE NEARS

Camp Director Guy Robertson, asked if he had heard of these threats, termed the 1,200 "a minority group" and laughed at the strike threat which one hears everywhere.

"I did not hear it as relating to May 1—but I have heard it about the first of every month up to now," he said.

The figure "1,200" is not exact. I asked for the exact number and was informed, by camp officials, that this was "a military secret." Of the 1,200, I was told some were small children, whose parents had signed for them. I was informed that of the 1,200 "about 600" were males—both natives of Japan and those holding American citizenship.

Robertson was asked if he had been told that the hoarding of food by Japanese inside the camp was in preparation for this much-discussed strike.

In the face of the fact that his associates accompanied me when I found cases of foodstuffs hidden beneath attic eaves, Robertson stated he did not believe there was any food hoarding in the camp.

#### FACTS LAID BEFORE NATIONAL DIRECTOR

The story of the true situation existing at Heart Mountain has been laid before Dillon Meyer, National Director of the War Relocation Authority. The following letter was sent to Meyer early this month by G. N. Wells, vice president of the Montana-Wyoming Beet Growers Association and director of the National Beet Growers Association, who has spent all his time at Heart Mountain and the relocation center at Tule Lake, Calif., attempting to induce residents to accept employment at from 65 cents to 85 cents an hour.

Wells' letter said:

"Dire necessity prompts me to write this appeal to you. As you must know, the beet-sugar producers of the West have for some weeks been attempting to recruit labor in the War Relocation Authority camps. We are meeting with very little success, especially here at Heart Mountain, Wyo.

"Everyone must realize the importance of getting every available man and woman to work during this critical time. It is, therefore, with mounting disappointment and disgust that we observe thousands of able-bodied men of Japanese race sitting in idleness, refusing offers of employment, while

our own men and women and children are forced to labor in the fields to the end that we may provide food and fiber for the war effort. The people of this Nation are not going to tolerate this sort of thing when the facts are known.

"There are several things that the Government can do to get these people to work:

"In the first place the life in War Relocation Authority centers is too easy. Many of the young men are already spoiled because they have tasted idleness and found it good.

"In the second place, those who have applied for repatriation and expatriation are urging all Japanese to refrain from work or from participation in the war effort. It is of vital importance that these nonloyal people be immediately separated from those who, if left to their own choice, would undoubtedly remain loyal. This could be done at once by fencing off a portion of the camp and confining the nonloyal people in a restricted area where they could not have social intercourse with the rest of the camp. This would in itself produce the desired result in a few days. Other more drastic measures such as restricting diet could be employed if necessary. Curtailment or cessation of all social services that are now being offered would help. Setting up of quotas of workers that each camp must furnish would also be beneficial.

"I am not making these suggestions without some experience as I have been working both at Heart Mountain and Tule Lake since February 1, trying to get these people out. So far I have had little success, and my experience has been duplicated by others. I am not in any way being critical of your administration for I know you have had a thankless and difficult task. However, the time has come when all of us must work to live, and the Japanese are no better than others. However, if something is not done at once activating this large and efficient group of manpower the matter must of necessity be brought to the attention of the proper congressional committee. May I hear from you at your earliest convenience?"

E. M. Rowlat, Acting Director of the War Relocation Authority in Washington, replied stating:

"We agree with you in the importance of reemploying evacuees. Our program contemplates increasing encouragement to the evacuees to accept outside employment, which we are hopeful will result in a much greater and more efficient use of the manpower resources of the centers."

#### ATTITUDE OF EMPLOYERS CRITICIZED

Rowlat then made excuses for the failure of the Japanese to accept the high-paying offers which have been made to them. He said:

"The experiences of 1942 are fresh in their minds and the communities in which they did not find conditions to their liking will probably have difficulty in recruiting workers."

Rowlat, in his letter, took the position that the American people—the people who are offering employment to the able-bodied residents of the center—just don't seem to have the right attitude.

The entire defense of War Relocation Authority has been, and is, that the American people just do not understand what the social workers among them—and the social worker group predominates within the War Relocation Authority—term "these dear children."

Relative to Wells' charge that disloyal Japanese within the camp are threatening and urging others to refrain from accepting work, the War Relocation Authority's Acting Director made this statement:

"A considerable degree of segregation has been accomplished by the Federal Bureau of

Investigation and other intelligence agencies. They have apprehended persons of known subversive tendencies and placed them in detention or internment camps. Further action is being developed."

No action, however, has been taken to date by anyone relative to the 1,200 camp residents who signed their names to statements that they wished to be sent to Japan, there to serve their Emperor and bear arms against the United States.

Wells, and representatives of various employers, have been on the grounds at the camp since February. This last week Wells, at his organization's expense, took two representatives of the Japanese residents on a tour of Montana and Wyoming ranches, showing them conditions and listing offers of employment.

Only in a very few scattered instances have these offers been accepted. Employers have inserted large paid advertisements in the camp newspaper, pleading with the Japanese to accept employment at high wages.

The response these employers, seeking to use the available manpower at the camp, have received will be set forth in another article Sunday.

[From the Denver Post of April 26, 1943]

**THOUSANDS OF TONS OF COAL ARE WASTED AT HEART MOUNTAIN—FUEL ALLOWED TO BLOW AWAY ALTHOUGH JAP CAMP OWNS SAWMILL TO PROVIDE BINS—OTHER COSTLY PRACTICES NOTED**

(By Jack Carberry)

CODY, Wyo., April 26.—Heart Mountain, the War Relocation Authority's Japanese camp 23 miles north of this picturesquely beautiful American mountain town, is heated with coal. The more than 500 buildings within the compound are equipped with stoves, and the ranges in the 42 mess halls are coal burners. The fuel for these is purchased in carload lots and trucked into the camp. There it is dumped on the ground in great piles alongside the barrackslike apartments, and at the rear of the mess halls.

There are no coal bins, although more than 6 months ago the War Relocation Authority purchased a sawmill in the timbered fastness of the mountains which lie directly above the great Shoshone Dam and power station. This station, one of the greatest hydroelectric plants in the country, supplies not only the power used in the entire northwestern section of Wyoming but delivers supplemental power to as far distant points as Los Angeles.

The War Relocation Authority paid \$6,000 for the lumber mill. To date, according to Project Director Guy Robertson, less than 12,000 feet of lumber have been taken out. This is despite the fact that the mill was all set up when purchased, and large crews of Japanese have been assigned to its operation—crews that each day go unguarded into the country which overlooks the war-vital Shoshone project.

Had lumber from this mill been used to construct coal bins, thousands of tons of coal, now blowing in fine dust over the countryside, would have been saved.

#### ONLY LARGER LUMPS OF COAL USED

The Jap residents of the camps and the cooks in the mess halls can scarcely be blamed for this condition. They use only the good coal—the larger lumps. This is but natural. If anyone knew that as soon as the bigger lumps were gone from his coal pile somebody would come along and dump more, without cost to him, on top of what was left, he, too, would not use the finer coal and the slack.

In consequence of this, piles of slack, in some places 20 and more feet across, and in others nearly head high, stand back of the barrack buildings and outside kitchens. This coal, it appeared, has been used to fill chuck holes in the streets of the camp.

These streets are in such condition that it is impossible to drive over them at a speed in excess of 10 miles an hour. To do so would add further automobile wrecks to the already well-filled junk-car graveyard which lies south of the camp.

#### NO ATTEMPT MADE TO SALVAGE LUMBER

This automobile graveyard adjoins a lot, well over 2 acres in area, littered with lumber taken from thousands of crates and boxes in which tons upon tons of supplies for the center have been shipped in. Much of this lumber is salvagable, but no effort is made to put it to use.

The lot is the scene of the original camp lumber supply—a supply that when Heart Mountain was completed, measured 5,000,000 surplus feet of pine and spruce. Director Robertson said he had asked for some of this lumber, but it was carted away, he knew not where.

None in the camp could tell me who owned this 5,000,000 feet of lumber which was left over when the camp was finished. The center was built on the cost-plus plan. Its method of building will never be forgotten by residents of this locality. The contractors inserted advertisements in newspapers all over the Nation asking for carpenters. These ads read, "If you can drive a nail, you can qualify as a carpenter."

#### OVERTIME PAY WAS GUARANTEED

Not only was overtime promised, but it was actually guaranteed, and I talked with boys in this locality who were paid as much as \$95 a week—and others got more—for their labor. The camp construction indicates that not all who "qualified" could even drive a nail. In putting on siding and roofing the "carpenters" employed often missed the studding by as far as 2 inches, and the nails still remain sticking through on the inside.

At present the only construction activity inside the camp is the erection of the high school, a great sprawling building which sits in the very center of the project. Its dome-roofed gymnasium and theater looms over all parts of the camp. None here could tell me what this building has cost to date or what it will cost.

It was part of a project upon which more than \$3,000,000 was to be spent—the erection of two elementary school buildings and the high school building. The War Relocation Authority stopped work on the elementary school buildings just as putting in the foundations began. Materials for these buildings lie everywhere—new radiators rusting in the weather, compo board, with wrappings torn away by the wind, awaiting ruin in the rain, and brick, some of which has been carted off by Japs in the camp and used for walks, the rest of it just breaking up in the elements.

#### GARBAGE COLLECTED BY OUTSIDE CIVILIAN

Garbage collection is done under contract by an outside civilian.

Apparently nobody collects trash. Explaining great piles of rubbish heaped along the sides of the "streets," camp officials told me they were holding a clean-up week.

I overheard a conversation between Camp Steward Fred Haller and Supply Director Everett Lane in which it was stated they were having great trouble inducing the Jap workers on the camp pay roll to pick up this trash. It was stated that morning—April 20—the Jap workers assigned to the task had refused to pick up the rubbish.

#### ALL WORKERS ARE ON 44-HOUR WEEK

The same day, I learned, Jap workers engaged in running 20 brand-new Fordson tractors and 3 Diesel-powered engines on the proposed vegetable garden adjoining the camp had refused lunches sent to them at the scene of their labors.

All workers in the camp enjoy a 44-hour week. Recently, when workers in the offices—there are scores in every office—were reporting anywhere from an hour to as much as 2 hours late, and quitting anywhere from a half hour to an hour early, a system of time signals was put in.

The fire whistle blows at 8 a. m., noon, 1 o'clock, and 5 o'clock. Workers are supposed to be at their task when the 8 a. m. whistle blows and to remain on the job until 5 p. m., with their hour out for lunch.

But when the lunches were served the field workers—two meat sandwiches, a cheese sandwich, some fruit, and a beverage—they demanded the right to go to the camp for a hot meal.

Their demand, as are all demands by the Japanese in the camp, was promptly met.

#### STEWARD WHO REFUSED TO HOARD WAS FIRED

There is an official record of how all demands are met so that trouble may be avoided.

Last October the then camp steward had on hand supplies adequate for full unrationed feeding for 2 months. But the newspapers, at that time, were filled with stories telling how rationing was certain to come. The Japs, in the camp, made demands at that time that the food stocks be increased. The steward, who refused to make unnecessary requests for more supplies, was dismissed. The great hoards of food now in the warehouses then began coming in.

"It was a delicate situation," Director Robertson told me.

On file, in one Federal Government agency, the identity of which I am not privileged to reveal, is a document telling how, when an effort was made last January to find hidden supplies of food stored in kitchen attics, the lives of a Japanese worker, accused by his fellows with being a stool pigeon, and of a camp worker, were threatened.

#### INVESTIGATOR DRIVEN FROM KITCHEN WITH AX

The Japanese cook and his assistant drove the Jap boy and the camp investigator from his kitchen with a butcher knife and meat ax. The Japanese boy, this record states, was saved only by the intervention of women waitresses in the mess hall.

The Japanese cook was taken before Director Robertson and admitted the charges. "I told Haller (the steward) to fire him," Robertson told me. "But the people in the block said this would cause trouble. I had the cook apologize."

"There was no apology—an apology was not the way to settle this," the man whose life was threatened told me.

The food stored in that kitchen was not removed by the camp authorities.

Documents supporting these charges are available to any agency which may undertake an investigation of conditions at Heart Mountain.

Mr. CHANDLER. Mr. President, I wish to compliment my distinguished friend, the Senator from Wyoming, on the statement he has just made in respect to the Japanese relocation centers, and I desire to say to the Senate that the Committee on Military Affairs has recently made quite an extensive investigation of these centers, and a report is presently being prepared. The report will be made to the committee tomorrow morning, and later to the Senate.

The situation is such that the subject needs the immediate attention of the people of the United States, especially those in authority who can see to it that the conditions the Senator has described are corrected. I hope very much that Senators will give attention to the report, and attend the meeting of the Com-

mittee on Military Affairs when the report is made, if it is possible for them to make their engagements such that they can do so. I again compliment the Senator from Wyoming for the fine statement he has just made of the conditions in the camps.

Mr. BUSHFIELD. Mr. President, as Governor during the past 4 years of the State of South Dakota, adjoining the State of Wyoming, so ably represented by my colleague who has just spoken, I wish to supplement what he has said about the War Relocation Authority.

During the last year, while I was in office as Governor of the State of South Dakota, I was asked to permit the bringing of some 500 to 700 Jap laborers into the sugar-beet fields of our State. I replied that I could not approve it. Those making the request said they could not bring them in unless and until the Governor of the State had approved it. They brought terrific pressure to bear on me, through the War Relocation Authority, seeking to place the Japs in South Dakota.

Finally I said that because of the seriousness of the labor situation in my State I would permit them to be brought in under certain conditions. I said to the War Relocation Authority that if they would bring them under guard, keep them in concentration camps under guard, provide guards for our irrigation dams, which serve the sugar-beet area, see that they kept out of our towns and places of public gathering during the time they were there, and took them back to the places whence they came, I would approve their entry. With the usual insolence and disregard of the public, the War Relocation representative said, "You will take them as I specify or you won't take them at all." We did not take them at all, Mr. President. After I left the State of South Dakota conditions were somewhat changed, and my successor in office permitted some Japs to come into the State this spring.

In explanation of my action, I may say that I refused to permit the Japs to be brought in for the reason that the Japanese Government is holding several thousand American boys as prisoners of war, and I said that if anything happened while these interned Japs were in the State of South Dakota retribution would fall upon the American boys in Japan, and for that reason I would not let them come into our State.

Within 30 days after the Japs were brought into the State of South Dakota this spring it was reported to me that they have five fights in a pool hall or on the public streets of one of the nearby towns. When that news gets back to the Empire of Japan, we all know what will happen to an equal number of boys of ours over there.

Mr. President, I absolutely approve what my colleague the Senator from Wyoming has said about the action of the War Department in enlisting Japs in the United States Army as a coherent part of the Army. As I understand, they are now forming a division of Japs at Sparta, Wis., to be employed to fight alongside our boys. It is not fair to them, it is not fair to us, and I join my

colleague in condemning the action of the War Relocation Board and the War Department in doing that.

Mr. REVERCOMB. Mr. President, I have been profoundly impressed by the very able statement of the Senator from Wyoming [Mr. ROBERTSON], and as a member of the Committee on Military Affairs of the Senate I myself will urge immediate action on the serious matter of the Japanese refugee camps.

I am glad to hear the statement of the Senator from Kentucky [Mr. CHANDLER], and of his report, and it is my hope that immediate action may be taken by the Committee on Military Affairs and by the Senate upon this very serious question.

#### REFUGEE CONFERENCE IN BERMUDA—NEW YORK TIMES ADVERTISEMENT

Mr. LUCAS. Mr. President, sometime ago the President of the United States appointed the senior Senator from Illinois as one of the three delegates from the United States to attend the refugee conference in Bermuda. For some 11 days on that island the American delegates were in conference with the delegates from the British Government, discussing the refugee problem throughout the world. I returned by plane only last Sunday, coming on to the city of Washington late Sunday evening.

Two other members were appointed on the committee by the President. One was Dr. Harold Dodd, president of Princeton University, whom I had never before had the pleasure of meeting, but one whom I found to be a gentleman of the old school, a man who is not only a renowned educator in this country, but one who understands the practical side of the problems of life. The third member of the committee was the Honorable SOL BLOOM, chairman of the Committee on Foreign Affairs of the House of Representatives, and a member of the Jewish faith.

On Tuesday of this week there appeared in the New York Times a paid advertisement, the contents of which have caused the Senator from Illinois to address the Senate at this time, in advance of the time I had expected to speak in connection with any phase of the refugee problem.

This edition of the New York Times bears a six-column advertisement, which costs no small sum of money, dealing with the Bermuda conference, and the headline of the advertisement is:

TO 5,000,000 JEWS IN THE NAZI DEATH-TRAP BERMUDA WAS A "CRUEL MOCKERY"

At the bottom of this six-column advertisement appears the name of the Honorable EDWIN C. JOHNSON, United States Senator from Colorado, as national chairman of the Committee for a Jewish Army of Stateless and Palestinian Jews.

On the left-hand side of the advertisement appears the names of some of the most prominent men in this country, including some 33 Senators, as follows:

Senators John H. Bankhead, Alabama; Warren Barbour, New Jersey; Theodore G. Bilbo, Mississippi; Arthur Capper, Kansas; Albert B. Chandler, Kentucky; James J. Davis, Pennsylvania; Sheridan Downey, California; Guy M. Gillette, Iowa; Carter Glass, Virginia; Joseph F. Guffey, Pennsylvania; Edwin C. Johnson,

Colorado; Harley M. Kilgore, West Virginia; William Langer, North Dakota; Francis Maloney, Connecticut; Burnet R. Maybank, South Carolina; Kenneth McKellar, Tennessee; E. H. Moore, Oklahoma; James E. Murray, Montana; Claude Pepper, Florida; George L. Radcliffe, Maryland; Robert A. Taft, Ohio; Elbert D. Thomas, Utah; Charles W. Tobey, New Hampshire; Harry S. Truman, Missouri; James M. Tunnell, Delaware; Millard E. Tydings, Maryland; Charles L. McNary, Oregon; James M. Mead, New York; Frederick Van Nuys, Indiana; Robert F. Wagner, New York; David I. Walsh, Massachusetts; Kenneth S. Wherry, Nebraska; Alexander Wiley, Wisconsin.

The names of those Senators are included in the group of other names.

Mr. President, I have talked with a number of Senators, not all of them, whose names appear in this column, in connection with this advertisement, and it was apparent there was not a single one of them who knew anything about this advertisement which has been placed in the New York Times by this committee.

Let me say that when I first read the advertisement and found the name of my good friend, the able Senator from Colorado [Mr. JOHNSON] at the bottom of it I was not only disturbed but I was amazed to find that the Senator from Colorado would do such a thing. I could not believe it, and I immediately talked with him, and learned the truth, which was that Senator JOHNSON knew nothing whatever about the advertisement, and had not approved its publication.

Mr. President, it was necessary that Senator JOHNSON go to New York today, and, unfortunately, he cannot state here in person his views on the contents of the advertisement nor discuss his position as national chairman of the committee. Therefore, at this point I ask unanimous consent that the clerk may read a copy of a letter which my distinguished friend, the Senator from Colorado, has written Mr. Peter Bergson, Committee for a Jewish Army of Stateless and Palestinian Jews, New York, N. Y.

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The Chief Clerk read as follows:

MAY 6, 1943.

MR. PETER BERGSON,  
Committee for a Jewish Army of  
Stateless and Palestinian Jews,  
New York, N. Y.

DEAR MR. BERGSON: I have before me a copy of an advertisement appearing in the May 4 issue of the New York Times in which, among other things, the recent Bermuda conference is discussed adversely.

In this advertisement there appeared in a separate column the names of prominent Americans, including many Senators. My name appears as national chairman of this organization. While there is nothing to indicate that this group of distinguished citizens endorses the specific advertisement, the inference might be made that they do. I did not see it until it was called to my attention the next day.

The committee and I must come to an understanding at once that greater caution be exercised in publishing the names of Senators who favor our cause.

The State Department appointed our distinguished colleague, Senator SCOTT W. LUCAS, one of the three representatives of the United States to the Bermuda Conference. For reasons which appear important to this

conference, no report has been issued as yet. I am advised that one will be forthcoming as soon as it is deemed certain that such report will be of no advantage to our enemies.

My colleagues and I have great respect for Senator LUCAS and we do not deem it fair to him to prejudge or condemn the work of the committee until after it has had sufficient opportunity to make a report. None of the work of the conference has been disclosed to me in confidence or otherwise, and in all fairness I must therefore withhold my judgment until such time as I know what actually took place in the conference.

Sincerely,

ED. C. JOHNSON,  
United States Senator, Colorado.

Mr. LUCAS. Mr. President, it should be understood, and emphatically so, that the committee which was appointed by the President and approved by the Secretary of State obviously had exceedingly limited jurisdiction in connection with this vital problem. We had no right to make any commitments so far as our Government is concerned. Any individual might have been appointed outside the United States Senate or the House of Representatives. The representatives to that conference did, however, make certain findings and recommendations, to their respective governments, the United States and Great Britain.

Those findings and recommendations, because of military needs, obviously must remain a secret until such time as the two governments see fit to release all or certain portions of the report. Undoubtedly from time to time certain phases of the report will be released. I am pledged to secrecy until the report is officially released, and I have no intention of violating that trust by revealing on the floor of the Senate, or elsewhere, any confidential information concerning the conference. But what is made clear by the advertisement is the fact that the persons who wrote it profess to know more about the report than does the committee which sat in Bermuda for some 11 or 12 days.

Mr. President, I desire to read to the Senate a few excerpts from the advertisement. It says the following, among other things:

Not only were ways and means to save the remaining 4,000,000 Jews in Europe not devised, but their problem was not even touched upon, put on the agenda, or discussed. More than that—the name "Jews" was banished from the vocabulary of this convention, as PM's foreign editor, Alexander Uhl, reports: "It was regarded as almost improper to mention even the word 'Jew.'"

Mr. President, in answer to that misstatement I want to read at this time the communiqué which was issued by the delegates at the conference and which was sent to all parts of the world. The text of the final communiqué of the Bermuda conference on refugees is as follows:

The United States and United Kingdom delegations examined the refugee problem in all its aspects, including the position of those potential refugees who are still in the grip of Axis Powers without any immediate prospect of escape.

Nothing was excluded from their analysis and everything that held out any possibility, however remote, of solution of the problem was carefully investigated and thoroughly discussed.

Mr. President, any individual who troubled to take the time to read the communiqué which was issued jointly by the delegations at Bermuda could not by the wildest stretch of the imagination have any basis for a sentence of the kind I read a moment ago from the advertisement.

I read further from the communiqué issued by the delegations at the Bermuda conference:

From the outset it was realized that any recommendation that the delegates could make to their governments must pass two tests: Would any recommendation submitted interfere with or delay the war effort of the United Nations, and was the recommendation capable of accomplishment under war conditions?

Mr. President, I submit to every prudent man that those purposes are sound ones upon which to approach a world problem of that character.

I read further from the communiqué issued by the delegations at the conference:

The delegates at Bermuda felt bound to reject certain proposals which were not capable of meeting these tests.

The delegates were able to agree on a number of concrete recommendations which they are jointly submitting to their governments and which it is felt will pass the tests set forth above and will lead to the relief of a substantial number of refugees of all races and nationalities.

Since the recommendations necessarily concern governments other than those represented at the Bermuda Conference and involve military considerations, they must remain confidential. It may be stated, however, that in the course of the discussion the refugee problem was broken down into its main elements. The questions of shipping, food, and supply were fully investigated.

Mr. President, if anyone thinks that we have a surplus of ships in this war, then he is not in agreement with the military and naval experts.

I read further from the communiqué issued by the delegations at the conference:

The delegates also agreed on recommendations regarding the form of intergovernmental organization which was best fitted, in their opinion, to handle the problem in the future. This organization would have to be flexible enough to permit it to consider without prejudice any new factors that might come to its attention.

In each of these fields the delegates were able to submit agreed proposals for consideration of their respective governments.

Mr. MOORE. Mr. President, I do not understand the advertisement. What is it that we are supposed to endorse?

Mr. LUCAS. I do not know what the sponsors are supposed to endorse; I only read the Senator's name, which appears in the advertisement, which at least by inference, as the Senator from Colorado [Mr. JOHNSON] said in his letter—

Mr. MOORE. I never have been consulted about it, I never have even read it, and I do not even know what the purpose of the advertisement is.

Mr. LUCAS. I know that; of course all Senators know that. But the point I am making is that people who are emotionally concerned in the cause, as well

as individuals who read the advertisement and who do not understand it, cannot gain any impression other than that the Senator from Colorado and the other Senators and the able and responsible individuals of this country whose names appear with the advertisement are responsible for it. That is the point I am making; I say that the advertisement is wholly unfair to the distinguished senior Senator from Colorado who has lent his name as national chairman of the organization, and to the other Senators whose names are also listed in the advertisement. For instance, the name of the Senator from Wisconsin [Mr. WILEY] is also listed.

Mr. WILEY. Mr. President, I see that I am in good company. Where did the Senator obtain the advertisement?

Mr. LUCAS. The advertisement appears in the New York Times for Tuesday, May 4, 1943.

In the advertisement the statement is made:

It was regarded as almost improper to mention even the word "Jew."

Ah, Mr. President, what a diabolical untruth is found in that particular statement. Why do they do this at this particular time? Why does this organization rush into print with a denunciation of the accomplishments of the conference less than 48 hours after the American delegation has returned to the United States? No one, other than the members of the delegations and the two respective governments, knows what is in the report. Yet the authors of the advertisement would assume to know all about it.

Here is a further statement in the advertisement:

But not only the attention of the victims of Nazi atrocities and of their friends the world over was concentrated on the meeting at Bermuda: Hitler, too, was concerned with the United Nations' reply to his challenge to the extermination of the Jewish population in Europe. Alas! To him Bermuda was again convincing proof that the United Nations were neither ready nor willing to answer his threat with action.

They take upon themselves to assume a situation of that kind—

They were continuing to give him carte blanche in his extermination process, exactly as in the pre-war days they permitted him to deal with Jews in Germany, with Austria and Czechoslovakia, thus paving the way for aggression, invasion, and war.

In other words, the inference made in that statement is that because the United Nations did not go to the front in 1937 and 1938, we are responsible for the war.

Mr. President, there is "cruel mockery" in this advertisement, in addition to the embarrassment it has caused my good friend the Senator from Colorado and other Senators whose names appear in the advertisement.

The advertisement further says:

Now we are witnessing a variety of attempts to justify the Bermuda failure, to wrap it in secret formulas, such as "no dealing with Hitler," or "not to interfere with the prosecution of the war," or "not to undertake anything which should prolong the war," etc. All this is just throwing sand

into the eyes of public opinion. All this has nothing to do with the real facts and the harrowing truth.

Mr. President, there is the "cruel mockery" that is throwing sand into the eyes of public opinion—that kind of an advertisement which is being paid for at the rate of about \$2,000 for that particular page.

This advertisement charges that we have attempted to justify what its authors choose to call the failure of the Bermuda conference by saying that we should not interfere "with the prosecution of the war," or "not to undertake anything which should prolong the war."

Mr. President, it was President Roosevelt and Prime Minister Churchill who said to Hitler that there would be an unconditional surrender, and that those were the only terms upon which they would deal with the savage beast across the sea.

The advertisement further states:

With the Bermuda conference a thing of the past, not having even discussed the problem of the extermination of the Jewish people in Europe, now, more than ever, it is clear—

How do they know? Why do they print a statement of that kind, when they know nothing about what went on in the Bermuda conference? What is the motive behind that kind of a statement?

More than ever it is clear that we are dealing not only with a refugee problem, but with the Jewish problem of Europe. These two problems should not be confused. They are entirely distinct. Democracy cannot connive with the slaughter of millions of innocent civilian people—the Jews in Europe.

This infers that democracy in this country is conniving in the slaughter of those poor unfortunate people in Europe.

Let me digress at this point to say that I yield to no man, regardless of his race, creed, or color, in my humanitarian sympathy for those people who are now locked on the inside of Europe's conquered lands. I believe that I understand the heartbeats of the underdog. I believe that I understand what it means to make one's own way in this life. I believe I understand something about suffering in the early days of life. Some of the best friends I have in this country, Mr. President, are members of the Jewish faith. Henry Horner, the great Governor of Illinois, one of the best, if not the best, our State ever had, was my dear friend. He was responsible, more than any other individual, for sending me to the United States Senate. He was a good man. He was a great man. Henry Horner did more to destroy intolerance and bigotry in the State of Illinois than any other public official who ever held an executive position in that State. My friends among the Jewish faith in my State are legion. When it is said that the Senator from Illinois would do anything that would interfere one iota with giving assistance to these poor helpless souls, those who make such statements simply do not know what they are talking about, and I will not permit the charge to go unanswered.

The authors of this advertisement did not wait for the facts. They rushed into print and condemned individuals about whom they knew little or nothing. They do not know what occurred at the Bermuda conference, yet they make a blanket indictment of the action and accomplishments of the conference. Mr. President, they are injuring their own case with an advertisement of this kind.

The article further says:

There are ways and means to stop Hitler's wholesale murder and to evacuate those who can be evacuated. But no one has been assigned to deal with this tremendous problem. What is necessary is that the machinery for action be created. The United Nations, which have uttered so many words of pity must now do something if these words of pity are to be more than empty lies.

That is a serious statement to make. It is a serious matter to charge the United States with empty lies in connection with statements which they have made on behalf of the oppressed and persecuted peoples of Europe. America has always been the friend of downtrodden and oppressed peoples, and she will continue to be in the fullest extent possible in dealing with this problem; but this kind of an advertisement does not do the cause any good. I think I know what I am talking about. This kind of an advertisement plays into the hands of Adolf Hitler.

The advertisement further states:

They must create a United Nations agency composed of military and diplomatic experts which should have full authority to define and effectuate a realistic and stern policy of action to save the remaining millions of Jewish people.

This communiqué discusses the Intergovernmental Committee. The Intergovernmental Committee was the committee which was set up at the conference which was called by President Roosevelt in 1939. Under the terms of agreement among the nations represented, they were attempting then to deal with the Jews in Germany, Austria, and Sudetenland. Obviously, in view of the situation which existed in the world, the Intergovernmental Committee did not have the power or authority to go further. One of the things which we did in connection with this conference was to broaden the powers and authority of the Intergovernmental Committee.

Mr. President, I have said about all I wish to say in connection with this "cruel mockery." I regret very much to see the inflammatory statements which are made in this article.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CHANDLER. I regret the use of my name in that advertisement. Let me say to my friend that I have no information with respect to the deliberations of the Bermuda conference; and without knowing what its findings were and seeing its report, I would not criticize it. I am absolutely certain that the Senator from Illinois, under his appointment through the State Department, ably represented our Government at that conference. I agreed to permit the use of

my name by the Jewish people who wanted to organize an army based on Palestine to fight for the liberties of the Jewish people and their allies all over the world. I believe in the right of people to fight for their freedom. I was familiar with the Balfour declaration, and with Woodrow Wilson's attempts to establish a State for the Jews in Palestine. I have been one of those who have tried to insist that the British Government and our Government, acting together, keep their commitments to the Jewish people made many years ago—in fact, about the time of the last World War. Except for that purpose, the use of my name was entirely unauthorized. I believe that the same statement applies to the Senator from Colorado [Mr. JOHNSON].

In the future, I shall insist that if my name is used, it be not used to criticize conferences in which the United States Government engages for the purpose of trying to solve the manifold problems which present themselves to our people. I think the criticism is unjust and untimely. I will say to my friend from Illinois that I sincerely regret the use of my name. The use of it in that connection was entirely unauthorized.

Mr. LUCAS. I thank the Senator from Kentucky. What is true of the Senator from Kentucky is also undoubtedly true of others whose names have been used. To a certain extent the advertisement is very innocent looking. It cannot be definitely said that any of the persons whose names were used had anything to do with it, but the ordinary reader looking at the advertisement cannot help but believe that the Senator from Colorado [Mr. JOHNSON] signed the advertisement, and that some of his colleagues had something to do with the approval of it before it was placed in the New York Times.

Mr. TRUMAN. Mr. President, I am very certain that there is not a Senator on that list who knows anything about the advertisement or had anything to do with it. The reason my name is on the list is that I was laboring under the delusion that this was an organization for a Jewish army to help win the war. If it is the intention to use the committee for any other purpose, it can no longer have my support or the use of my name.

Mr. LUCAS. I thank the Senator for his observation.

Mr. MOORE. I should like to say to the Senator from Illinois that there could not possibly have been any reason for putting my name on that list even in behalf of a Jewish army. If the Jews want to fight in this war, let them fight under the flags of the countries to which they belong. I certainly am not in sympathy with authorizing or encouraging the formation of an army in this country under any flag but the American flag.

Mr. LUCAS. I merely read the names of Senators, and the Senator's name is on the list, and I wanted him to know about it.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WILEY. As stated by the distinguished Senator, I am among those who

endorse the right of the Jew in Palestine, the so-called stateless Jew, which means the Jews who have no state connection, to fight as suggested by the Senator from Kentucky [Mr. CHANDLER] for his own liberty and his own freedom. I think that it was in that particular connection that many of us became interested in supporting this movement. It must be clear that there was never any thought that Jews who live in this country and who are as much Americans as any of us would be organized into a separate corps or into a separate army. However, we felt, in view of the fact that the problem connected with our war in Europe and in Africa involved a matter of transportation of men and material, and, in view of the fact that for months now the submarine has taken a toll of a million tons of shipping a month, together with the contents of the vessels, that if in Palestine and in Africa the Jewish people already there wanted to form an independent armed corps or army, that it would not only aid them, but it would aid our own problem.

Our problem is to transport to Africa men and material to "carry through," and if there were 200,000 armed Jews there, all we would have to carry over there would be the matériel such as munitions, arms, and so forth, to provide for our men already there and the group of 200,000 Jews.

Furthermore, the Jews in Palestine and the Jews forced to leave Europe have something to fight for. They have seen their relatives, they have seen their property, and they have seen their liberty liquidated. They would be fighting men fighting for a cause. That was the basic reason for many of us supporting the objective of the Palestinian army. It would help America; it would help the cause of freedom.

Mr. President, I fully agree that it is an unfortunate circumstance that the advertisement to which the Senator from Illinois refers, has appeared; first, because it indicates that the man who wrote it was not cognizant of the fact—he could not have been cognizant—of what took place in the Bermuda conference, because no one but members of the conference and the Government know what is contained in the report.

Second, the author of this advertisement has damaged the cause by such an attack. It seems to me that while the primary object of the Palestinian Army is worthwhile, it cannot be attained by an attack, if you please, on a committee appointed by the President, and I for one would not lend my name to any such attack or procedure. I feel, however, that the preparation of the advertisement is probably due to the overzealousness of someone who should have known better. Of course, it might be interesting to know who paid for it. Does the Senator have any information on that point?

Mr. LUCAS. I will say to the Senator from Wisconsin that in the right-hand lower corner of the advertisement I find the following:

I want to help your campaign "Save European Jewry by action—not pity." You have my support in carrying your fight through the press, the radio, and in public meetings

throughout the country, as well as in your endeavors in Washington and London—capitals of the United Nations.

That appeal is a little different from what is expressed in the title of the organization, which is "Committee for a Jewish Army of Stateless and Palestinian Jews."

Yesterday Mr. Bergson, the individual to whom the Senator from Colorado [Mr. JOHNSON] addressed his letter, said that the money which was collected through this means was used, among other purposes, to pay for this kind of advertisement.

Mr. WILEY. Has the distinguished Senator from Illinois had an opportunity to interview Mr. Bergson?

Mr. LUCAS. Yes; I saw the gentleman yesterday.

Mr. WILEY. What was his reaction?

Mr. LUCAS. I would rather not go into the detail of what I told Mr. Bergson yesterday.

Mr. WILEY. Does the Senator mean that he would rather not go into the detail of what he said, or what Mr. Bergson said?

Mr. LUCAS. I would rather not go into the detail of what I said. [Laughter.]

Mr. President, I have said all I care to say upon this subject. I wish to conclude by repeating with all the sincerity which I possess, that I regret exceedingly that I had to take the floor and discuss this full-page advertisement, but I believe that in so doing I have done my duty as a member of the conference. I am deeply and sincerely interested in the refugee problem—the problem of the Jews—and the Senator from Illinois is a better friend of the Jewish people of this country and the countries across the water than are those who are responsible for this type of advertisement.

Mr. MALONEY. Mr. President, will the Senator yield, before he takes his seat?

Mr. LUCAS. I yield.

Mr. MALONEY. I should like to say for the RECORD that I had occasion on yesterday to talk with Representative SOL BLOOM, who I understand was a member of the conference which the Senator from Illinois attended.

Mr. LUCAS. The Senator is correct.

Mr. MALONEY. While he told me nothing of what transpired, he was extremely high in his praise of the contribution made to the conference by the distinguished Senator from Illinois.

Mr. LUCAS. I thank the Senator. In view of the fact the Senator has mentioned the name of Representative SOL BLOOM, I wish to say for Mr. BLOOM that no individual at the conference was more interested, or did more to aid in every aspect of this problem, than did Representative BLOOM. I will say further that Mr. BLOOM agrees with the Senator from Illinois in what he is now doing.

ADDITIONAL REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM—CONFLICTING WAR PROGRAMS (PT. 9 OF REPT. NO. 10)

Mr. TRUMAN. Mr. President, I desire to submit a report to the Senate on the hearings which the Special Committee

to investigate the National Defense Program has been holding for 5 or 6 days in regard to a controversy over rubber, high-octane gas, and escort vessels.

First, I desire to read an extract from a committee report which was submitted to the Senate on December 10, 1941, under the unanimous direction of the committee as a whole. That report starts off with the statement that—

The committee held an executive session for the purpose of determining how they could best contribute to the defense of the Nation.

That was 3 days after Pearl Harbor.

From their inception the special committee have concerned themselves with the nonmilitary aspects of the defense program, that is to say, with seeing to it that the defense articles which the Army and Navy have determined that they need are produced in a minimum of time at a minimum of cost and with as little disruption of the civilian economy as possible.

The committee never have investigated and they still believe that they should not investigate military and naval strategy or tactics. The reason for that is that the committee, as a whole, has the utmost confidence in Admiral King, Chief of Naval Operations, and General Marshall, Chief of Staff of the Army, and believes that matters of tactics and strategy should be entirely in their hands.

The conflict between the synthetic rubber, aviation gasoline, and escort vessel programs has been relieved and largely removed by bringing the respective loyal, competent, and aggressive disputants face to face. This should have occurred days ago in the ordinary quiet process of administration.

It shows the need for the following procedure recommended on March 11, 1943, on page 3 of this committee's second annual report:

During the coming year attention must continue to be focused on the primary need for clearly defined authority in the administration of our domestic war program. This authority should be centralized in a few officials—each solely responsible for the administration of certain activities. Each should be of high ability. In addition to doing their administrative work they should meet frequently to eliminate all conflicts of jurisdiction and be ready to advise with the President on important questions of policy while relieving him completely of purely administrative work.

On April 22 the newspapers reported that the Under Secretary of War had accused the persons responsible for the synthetic rubber program of delaying production of aviation gasoline to the serious detriment of the war effort. The Petroleum Administrator was reported to second the charges, although the fact appears to be that the newspapers correctly stated his opinions without authorization. The Under Secretary of the Navy entered the fracas, towing into the scene the long-delayed escort-vessel program. Finally, the newspapers reported that the Rubber Director had demanded an investigation, and suggested the resignation of the losing combatant.

This committee announced hearings when it became evident that some of the

Nation's key officials had publicly worked themselves into an impossible position. The democratic right of public expression had passed the point of useful exchange. The problems of balancing complex programs involving the high strategy of war cannot be solved in an open forum. The difficulties of such a procedure were demonstrated at this committee's hearings. In several cases, witnesses were constrained, and properly so, to present vital facts to the committee privately. The public, which in effect was originally invited by the disputants to judge the issue, cannot know all the facts at this time.

More important, the tenor of the alleged public statements was such that further controversy of this character might seriously impair the effectiveness of able leaders. We cannot afford unnecessarily to lose any men who have proved their ability to cope with the intricate problems which we now face.

Energetic, aggressive men, striving to meet war needs, will tend to clash when their duties bring them into conflict. But destructive, wasteful feuding must be suppressed.

The task of control and guidance is of utmost importance. Clear leadership in strong hands is required. The influence from above must be always toward unity. Where necessary, heads must be knocked together.

The issues in this dispute, involving war strategy, can and should be resolved by the agency established for that purpose, the War Production Board. This report is directed, not at these issues, but at the weaknesses in administration of the war effort which permit such disputes to reach the point of public controversy.

After Pearl Harbor we found ourselves woefully unprepared for war. This committee reported on the rubber situation and warned that supplies were dangerously low; that erection of synthetic rubber facilities was essential; that there would probably be no new rubber for civilians until 1944. Precious months were wasted in discussion after our findings were made public. Finally, after the President's Baruch committee arrived at the same conclusion, synthetic rubber got under way. To accomplish this, a rubber czar was set up, within the War Production Board to be sure, but still more or less autonomous. For a few more months the rubber program seemed stalled, hampered by a clash of personalities and by inability to obtain sufficiently high priorities ratings. In the fall of 1942, for instance, the Navy and Maritime Commission had tied up practically all of the Nation's valve-making facilities.

To break the priorities jam the War Production Board instituted in December a program expediting 20 percent of the rubber, and 20 percent of the aviation gasoline programs. This amount proved insufficient, and in January of 1943 a total of approximately 55 percent of the Buna S rubber program and a somewhat smaller percentage of the aviation gasoline program were expedited.

It is significant that the contest between rubber and aviation gasoline at that time proved too hot for the War

Production Board to handle, and it was finally decided after an appeal to higher authority. Even after the decision the battle flared up publicly from time to time.

Shortly after Pearl Harbor the committee studied the aviation gasoline situation, and, as in the case of rubber, followed later developments. The armed forces failed by a wide margin to anticipate wartime needs for aviation gasoline. A year after Pearl Harbor the armed forces were still raising their sights. Their estimates made last September will apparently be met by production this summer. But during last fall and winter—after almost a year of war—these estimates were tremendously increased. This, of course, intensified the priorities jam.

Throughout last winter the Navy was not in a position to build escort vessels in large numbers due to a strategic decision to devote available facilities to another product. Until February of 1943 the Navy was not in a position to place the bulk of its orders and therefore the War Production Board could not begin scheduling.

To expedite the rubber and 100-octane programs certain of the rubber plants and aviation gasoline plants were given precedence over other claimants. This, of course, put the Rubber Director in the driver's seat for at least a part of the trip. It resulted in unfortunate personality clashes, as it required other claimants to go to the Rubber Director instead of to the War Production Board for some very important and sorely needed items. On the other hand, it was a method determined after consultation with the various agencies, and after prolonged, if not too prolonged, consideration. Efforts were made to relieve the impact of the expediting directives where collisions resulted, with varying success.

At the present time the order of expediting the various programs is considered settled by the War Production Board. A vigorous effort to schedule production is under way, apparently with the hearty approval of all concerned. The Chairman of the War Production Board has declared that no new issue was presented to him before the present public flare-up, and his statement was sustained by the other testimony.

Vigorous, able men are now at work on these programs attempting to make up ground lost because of our failure to set our sights high enough. There is a perfectly normal and healthy tendency on the part of each leader to view his program as the most important. Each has complained to the committee that his program has been treated inequitably. It is perfectly clear today, as it was a year ago, that these three competing programs, synthetic rubber, 100-octane gasoline, and escort vessels, are essential to win the war.

The precise balancing of these programs in point of quantity and of time is crucial. A serious error could spell disaster. The deciding agency must have the facts relating to all three programs before it. Its decisions must stick. Confusion in planning today will cut produc-

tion a year hence. It defeats strategy. Weakness in enforcing decisions will breed confusion.

The job of balancing the conflicting programs has been done and is being done by the War Production Board. The task is one of tremendous magnitude. It can no more be accomplished by discussion before a committee than by castigation in the press.

The present conflict is a result of basic weaknesses in the control of the war effort. In its report of January 15, 1942, this committee called for a strong over-all planning agency. The committee and the Nation believed that these weaknesses had been eliminated by the subsequent creation of the War Production Board. The Chairman of the War Production Board was given sweeping powers, which at least on paper appeared broad enough to enable him to direct war production under the Commander in Chief.

The Chairman was empowered to:

(a) Exercise general direction over the war procurement and production program.

(b) Determine the policies, plans, procedures, and methods of the several Federal departments, establishments, and agencies in respect to war procurement and production, including purchasing, contracting, specifications, and construction; and including conversion, requisitioning, plant expansion, and the financing thereof; and issue such directives in respect thereto as he may deem necessary or appropriate.

(c) Perform the functions and exercise the powers vested in the Supply Priorities and Allocations Board by Executive Order No. 8875 of August 28, 1941.

(d) Supervise the Office of Production Management in the performance of its responsibilities and duties, and direct such changes in its organization as he may deem necessary.

(e) Report from time to time to the President the progress of war procurement and production; and perform such other duties as the President may direct.

Federal departments, establishments, and agencies were ordered to comply with the policies, plans, methods, and procedures with respect to war procurement and production as determined by the Chairman. The Chairman was empowered to exercise his authority through such officials or agencies and in such manner as he might determine. His decisions were, by the terms of the order, to be final.

Here is a clear and unequivocal delegation of authority. Why, then, was it not exercised? At least part of the answer is to be found in the history of some of the major problems of 1942. The past year has seen several disputes which called for exercise of the Chairman's power to issue "such directives as he may deem necessary and appropriate" and to make final decisions.

The determination of the Nation's rubber requirements was made on a plane superior to the War Production Board. The findings of the President's Rubber Committee were ordered to be executed by a rubber director. This official was declared to be responsible to the Chairman of the War Production Board, but was given power himself to issue directives to the various agencies. The Chairman of the War Production Board was requested by the Commander in Chief to

divest himself of concern with the rubber program. Therefore, practically speaking, the Chairman of the War Production Board has had only tenuous authority over the Rubber Director although technically he is the boss.

An administrator was placed in charge of petroleum programs, including aviation gasoline. The Executive order declares that he "shall be directly responsible to the President." On the other hand, he exercises the "powers, authority, and discretion conferred upon the Chairman of the War Production Board" with respect to the petroleum industry, "subject to the direction of the Chairman of the War Production Board." The lines of authority are confusing even on paper. As a practical matter they breed disputes such as that under consideration.

Today discussion of the over-all legal authority of the War Production Board is mere pedantry. Although the authority may exist it has not been exercised. But the Chairman of the War Production Board has exercised the power to allocate materials and to schedule the production programs of the various departments, and to resolve conflicts between these programs.

Even in the matter of scheduling, when the conflict between the rubber and aviation-gasoline programs reached major proportions, the dispute was carried from the Chairman of the War Production Board to the Commander in Chief, who upheld the Chairman.

The War Production Board is serving well as a scheduling and allocating agency. It has succeeded in deciding between claimant programs and in providing materials within the limitations of the conditions under which it has been forced to work. In this field the War Production Board and its Chairman have been successful, and his authority should be sustained.

Two things must be accomplished. First, the strong over-all authority of the War Production Board must be made a living reality. This authority must be ready to make decisions and to enforce them over the objections of aggressive department heads. It must operate in such manner that the various men responsible for individual programs will feel that they have been fairly treated and fully heard.

Second, without dilution of the power of the chairman, the War Production Board should function as a board. The persons in charge of each major program should sit on it and discuss their problems together regularly and frequently. Each must be made to feel a great sense of responsibility for the entire program with no diminution of his responsibility for that part directly under his control.

Mr. BALL. Mr. President, I wish briefly to comment on the report just made by the Senator from Missouri [Mr. TRUMAN]. It seems to me it has a very direct bearing on the question at issue in the bill now before the Senate, Senate bill 885, which would establish by statute a Civilian Supply Administration, again outside of and independent of the War Production Board.

The present confusion in administration of our war effort seems to me to arise out of the fact that while the War Production Board as originally created was designed to be the top, over-all agency, in a little over a year since it was established we have seen one czar after another established, with power completely independent of the War Production Board, having to do with rubber, food, fuel, manpower, transportation.

Time after time we have seen the top men in these agencies become involved in conflicts which eventually got into the press, and served only to confuse the American people. They were conflicts which should have been settled by the War Production Board, acting as a board, with the chairman of that board having the final authority. That is the only sane, sensible way to settle such jurisdictional conflicts.

It seems to me the basic weakness of Senate bill 885 is that it seeks to remedy that situation by establishing still another czar, leading to further conflict of jurisdiction and greater confusion.

Mr. MALONEY. Mr. President, I hope the Senator from Minnesota realizes that Senate bill 885 provides the opportunity to avoid the conflicts to which he has referred, because provision is definitely made in the bill that the Economic Stabilization Director shall settle disputes which have heretofore gone out to the public and raged for days. It would avoid all the conflicts to which the Senator has referred. I hope the Senator realizes that.

Mr. BALL. I noticed the provision in the bill providing for a Civilian Supply Administration which may have the right of appeal to the Director of Economic Stabilization. That in effect gives to the Director of Economic Stabilization the job which the Chairman of the War Production Board is supposed to be doing, and I do not think it makes good administrative sense.

Mr. MALONEY. Mr. President, may I ask the Senator one more question? The present claimant agencies are the War Department, the Navy Department, the Maritime Commission, the Aircraft Resources Control Office, Lease-Lend, Board of Economic Warfare, Agricultural Department, Office of Defense Transportation, Petroleum Administration for War, National Housing Agency, and Office of Rubber Director. Those are the claimant agencies now existing outside the War Production Board. Would the Senator—and to be consistent I think he must—place all those agencies under the War Production Board?

Mr. BALL. I think as they relate to the war-production job they should be under the general direction of the War Production Board. That is where they belong.

Mr. MALONEY. So the Senator would accord Mr. Nelson complete and final and uncontradictable control over all these agencies?

Mr. BALL. I do not think that he should administer them. Of course, that is impossible. We must have strong men administering each of these various programs. But they should come to the

War Production Board and be subject, in asking for their share of the critical materials, to the final determination of the War Production Board.

Mr. MALONEY. Of Mr. Donald Nelson.

Mr. BALL. That is correct.

Mr. MEAD. Mr. President, the report just submitted by the Senator from Missouri [Mr. TRUMAN], with which I heartily concur, deals with current problem No. 1 of war production.

We have mastered the art of war production. We have solved most of the problems of pioneering in a science not common to democracies. We are successfully waging a total war.

Whole new industries have been built from the ground up. These industries are pouring forth a flood of weapons which will win this war.

One major problem is still vexing us. We cherish our liberties. We are fighting for them today. Not the least of them is the right to full public expression. We have not yet found the balance which will preserve this right and yet enable the administration of war production to progress with smooth efficiency.

The answer does not lie in generalizations or in platitudes. It will be found—as the Special Committee to Investigate the War Program has just reported—in a clarification of the authority of the Chairman of the War Production Board. This authority needs stronger support than the thin, cold words of any statute, directive, or order. It must be made to live. It must be respected. It must not be undermined.

I believe that the Chairman of the War Production Board will gain rather than lose strength by consulting regularly and frequently with the men in charge of each major program.

At the committee's hearings it was apparent that each administrator thought of his program as the most vital. They should all sit down together frequently and hear the other fellow's side of the story. They should all feel jointly responsible—in a consultative capacity—for the whole war effort and not merely for the one part which is their chief responsibility.

The leaders who have emerged to direct our war production effort are able, forceful, and patriotic men. Each has done a splendid job.

Mr. Donald Nelson's responsible task of directing and correlating these all but insuperable forces is not an enviable one. All things considered, he has succeeded remarkably in tying together our industrial machinery into a mechanism for the progress of the war. Under his leadership war production is each day reaching new high levels. We have won the battle of production.

The task of streamlining the organization should not prove too difficult. The only fault that could be found with any of the witnesses who appeared before the committee was a consuming zeal to do a good job. These men are used to success. They are here to succeed, and not to find excuses for failure. Each has been of great value in his own sphere.

William Jeffers proved his talents long before he came to Washington. Once here he showed why he rose to the presidency of a great railroad. He has been tireless in his efforts to put across the rubber program. Today synthetic rubber is a reality.

Under Secretary Patterson came to this city with a brilliant record as a judge and a soldier. His energy and devotion to his task are axiomatic. And our well-equipped fighting men are proof of his success.

Under Secretary of Navy Forrestal, coming to the Navy Department after an outstanding business career, has paralleled Judge Patterson's accomplishments for the Navy. He is doing a big job well.

Secretary Ickes has brought years of experience to his position of Petroleum Administrator and his many other important war tasks. He has prosecuted each ably and successfully.

These men may have at times pressed a bit too fast in their enthusiasm. They are all working under severe strain and constantly meeting and solving new problems. But they are all doing fine jobs. They are all invaluable to the war effort. Their names will stand out when the production record of this war is finally written. I am certain, Mr. President, that they will all work together for and until victory comes to the United Nations. They are able men, doing a fine task, and as the committee report indicates, cooperation and coordination is the great current need.

Mr. BURTON. Mr. President, I wish to address only one or two questions to the Senator from Missouri [Mr. TRUMAN] relating to the report which he submitted on behalf of the Special Committee to Investigate the National Defense Program. I notice that in referring to the report he emphasized the fact that the committee had recently submitted its second annual report, and that it had made certain recommendations with regard to the conduct of the various administrative bodies in the war effort. That indicated a study over the past year or two of the subject of organization of the Government. The example which arose and is made the subject of the report was a typical example of the operation of that system. I take it that the report, in which I concur and with which I strongly agree, is a recommendation that the individuals concerned get together and work together, not a recommendation for the need of any statutory change at this time in the administrative organization of the Government. Is that correct?

Mr. TRUMAN. Mr. President, I think the Senator is expressing the opinion of the whole committee when he says that.

Mr. BURTON. And the report is not in any way a personal commendation of the individual initiative or aggressiveness of the persons who have engaged in the controversy, but, rather, is a recommendation that they get together and work together with the same aggressiveness they have heretofore shown in working against one another.

Mr. TRUMAN. That is true; and I think the statement the Senator has made is also concurred in by the committee. The officials are honest and energetic; all they need is a safety valve.

#### APPROPRIATIONS FOR CIVIL FUNCTIONS OF WAR DEPARTMENT

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent that the pending bill be temporarily laid aside, and that the Senate proceed to the consideration of House bill 2346, which is the bill providing appropriations for civil functions of the War Department.

The PRESIDING OFFICER. The bill will be reported by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 2346) making appropriations for the fiscal year ending June 30, 1944, for civil functions administered by the War Department, and for other purposes.

The PRESIDING OFFICER. Is there objection to laying aside the unfinished business and proceeding to the immediate consideration of the appropriation bill?

Mr. McNARY. Mr. President, I have no objection whatsoever. I favor the motion; but I wish to make a statement. If it should appear that any controversial amendments shall be offered from the floor, I should like to have the bill go over until another day.

Mr. THOMAS of Oklahoma. That is entirely satisfactory.

Mr. MALONEY. Mr. President, I feel much the same as does the able minority leader. I do not have any objection, under those conditions, to having the unfinished business laid aside. I am assuming that its provisions are not controversial and that the bill may be disposed of quickly. I realize that the bill is an important one. The chairman of the subcommittee is an important Senator, and I am extremely anxious to cooperate with him.

#### ORDER FOR RECESS TO MONDAY

Mr. President, I should like to say at this time, if I may, that there has been some question as to whether or not the Senate would meet tomorrow for the further consideration of the unfinished business. I have been advised that the members of the Committee on Finance are extremely anxious to continue all day tomorrow and without interruption their study of the pending tax bill. I am anxious, because of the interest of the country in the matter, and because of its importance, that a tax bill be brought before the Senate at the earliest possible moment. But I am also anxious to cooperate with the members of the Committee on Finance, and am quite agreeable to the suggestion that the unfinished business go over until Monday. I think that procedure probably is the preference of the majority leader.

Mr. McNARY. Mr. President, I think the proposal of the distinguished senior Senator from Connecticut is very gracious. In view of his statement, I ask unanimous consent that when the Senate concludes its business today it shall adjourn until Monday next.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Is there objection?

Mr. McNARY. Mr. President, it has been suggested that Monday is calendar day. So, I ask that at the conclusion of today's session the Senate take a recess until Monday.

Mr. MALONEY. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

SHOULD THE PRESIDENT HAVE A FOURTH TERM?—ADDRESS BY SENATOR BRIDGES

Mr. WHERRY. Mr. President, on April 29, 1943, I had the good fortune and pleasure to participate, with the senior Senator from New Hampshire [Mr. BRIDGES], in America's Town Meeting of the Air, which was broadcast from Pittsburgh, Pa. In presenting the negative side of the debate subject, Should the President Have a Fourth Term? the Senator from New Hampshire delivered a logical and keen argument. Since that time I have received numerous requests from all parts of the country for copies of the program. These requests indicate the interest and deep concern of the people of America in this subject. Therefore, Mr. President, I request unanimous consent that the splendid speech made by the Senator from New Hampshire on that occasion become a part of the CONGRESSIONAL RECORD, and that it be embodied in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF UNITED STATES SENATOR STYLES BRIDGES (REPUBLICAN, NEW HAMPSHIRE) IN DEBATE ON FOURTH-TERM ISSUE AT AMERICA'S TOWN MEETING OF THE AIR BROADCAST, PITTSBURGH, PA., APRIL 29, 1943

The question we are discussing tonight needs no answer from us here, whether we are speaking of Franklin Delano Roosevelt or any other man. It has been answered by 150 years of American history and tradition. It will be answered by the American people at the polls. They will decide whether we are to remain a representative republic or whether we shall become a permanent, self-perpetuating bureaucracy.

How long should a man be President of this country? There are people in this audience who since Mr. Roosevelt first was elected have come of age, married, had children, watched those children grow up and go to school, and faced this question at the dinner table, "Daddy, has Mr. Roosevelt always been President?" I have a son in the armed forces of this country in foreign service. He is old enough to fight for his country, yet he cannot remember any President but Roosevelt.

Thomas Jefferson warned repeatedly against keeping one President in office. He put the crown aside when it was offered to him, despite the grave emergencies that then faced his Nation, warning that "There will never be a time when real difficulties will not exist, and furnish a plausible pretext for extending the term."

President William McKinley was once boomed to continue beyond two terms. To that he replied: "There are questions of the gravest importance before the administration and the country, and their consideration

should not be prejudiced in the public eye by even the suspicion of the thought of a third term."

You see, my friends, Jefferson and McKinley recognized that when the attempt to establish a continuing dynasty was made, it would come under the cloak of some emergency, under the pretext of the "indispensable man" theory. Every man is indispensable to his own partisans who benefit by his office, but the world moves on no matter what happens to the indispensable man.

Franklin Delano Roosevelt is not the first President to have the Temptress of Ambition dance before him. The difference is not in the kind of temptation, but in the fact that Presidents of the past put the future welfare of the Republic ahead of any personal ambition, or belief in their indispensability.

Actually, the problem we should be discussing here tonight is how far this administration is bold enough to go in using the powers of its war machine to force the reelection of the President. We can all regret that in the midst of a dangerous war—20 months before the 1944 elections—the New Deal has introduced a political campaign into our national life. We can cry out that it is wrong at the most critical juncture of our African and South Pacific battles for the henchmen of the New Deal to be sent out by the White House to start their political maneuvering. We all know that at this time, if ever, the White House should put patriotism above the suspicion of encouraging a premature political campaign which is bound to arouse every agency of disunity in the land.

This campaign is over an issue so vital that it will shake the faith of the people as to the permanence of our form of Government. It will remind them of those shameful days at the Chicago Convention of 1940, of which Raymond Clapper, the well-known publicist, wrote they had "made a mockery of democracy," and asserted that the "low" was reached in White House political fixing.

And we will recall that the President, after forcing his own renomination, became alarmed at the country's fears that his ambitions knew no bounds. In the midst of the election campaign he pledged to the people that when the third term was over "there will be another President." Then, 2 days later—just before the election—he again sought to allay the fears of the people by promising his neighbors in New York that "it is the last time, very obviously, that I will do that as a candidate for office."

As this drive goes forward, we Americans must look to see what 4 more years of the New Deal mean. We see the same bureaucrats, vowing furiously that the Nation needs Roosevelt. We see them using every art of propaganda aided by Government money. We know that 4 more years of Roosevelt mean 4 more years of "I-Am-the-Law" Hague in New Jersey, of the Kelly-Nash gang in Chicago, of LaGuardia and Marcantonio in New York, and the Communist, Earl Browder. We look in vain for the names of Carter Glass, of Senator Byrd, of Senator George, of Al Smith, and Jim Farley. The Democratic Party has been taken over by the palace guards, the White House machine, and the bureaucrats who would be masters of the American people.

Four more years of Roosevelt mean 4 more years of Harry Hopkins with his spend and spend, tax and tax, and elect and elect policies operated from within the White House itself.

It means 4 more years of government by "lame ducks," repudiated at the polls and given higher offices by the President in exchange for political service.

It means 4 more years of New Deal wasters, spending billions recklessly while rejecting Republican pay-as-you-earn taxation.

It means 4 more years of planned agricultural mismanagement which has reduced, for the first time, Americans to hunger levels.

It means 4 more years of using the White House powers to build a national Tammany Hall through such Federal appointments as Judge Meany in New Jersey and Paving Block Ed Flynn.

It means 4 more years of crucifying small business and above all years of W. P. A.-ing the world at the expense of the American taxpayer.

Should the present President, or any President of the United States, have a fourth term? No—not unless we are ready to accept some form of dictatorship with the America we have known and loved gone forever.

APPROPRIATIONS FOR CIVIL FUNCTIONS OF WAR DEPARTMENT

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma [Mr. THOMAS] that the pending bill be temporarily laid aside, and that the Senate proceed to consider House bill 2346, a bill providing appropriations for civil functions of the War Department.

There being no objection, the Senate proceeded to consider the bill (H. R. 2346) making appropriations for the fiscal year ending June 30, 1944, for civil functions administered by the War Department, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the committee be first considered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and it is so ordered. The clerk will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was, under the heading "Quartermaster Corps—Cemeterial expenses," on page 3, line 7, after the word "cemeteries", to strike out "\$605,643," and insert "\$1,230,058."

Mr. WHERRY. Mr. President, I should like to have an explanation of the amendment.

Mr. THOMAS of Oklahoma. Mr. President, there are two items in the amendment. The first is for \$28,000 to be made available to enable the caretakers of national cemeteries to hire additional men. They claim that because of the increased wages they have to pay in order to get men to do the work, they do not now have sufficient money to enable them to have the work done. That is the first item.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WHERRY. Why was the appropriation increased from \$605,643 to almost twice that amount?

Mr. THOMAS of Oklahoma. The next item covers that matter. When the bill was in the other House that body decided to eliminate the item for the purchase of headstones for the graves of soldiers, and to put the item in the regular appropriation bill for the Military Establishment, which will come along

later. So the House did not make provision for the purchase of the 57,000 headstones which is the number for which applications by the families of deceased soldiers are pending. The money added by the amendment to the bill is to cover the cost of the purchase of the 57,000 headstones.

Mr. BURTON. Mr. President, let me make an inquiry relative to the amendment. I understand that the item referred to does not really represent an additional appropriation, but merely involves putting the appropriation in this bill, instead of in the regular War Department appropriation bill. Is that correct?

Mr. THOMAS of Oklahoma. Yes; that is correct. The appropriation bill for the civil functions of the War Department has heretofore carried that item; but for some reason the House decided to put the item in the regular War Department appropriation bill. However, the Senate committee preferred to have the item placed in the pending bill.

Mr. BURTON. But that does not mean a \$600,000 increase in expenditure, I take it. Is my understanding correct?

Mr. THOMAS of Oklahoma. It is correct.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 3, line 7.

The amendment was agreed to.

The next amendment was, under the heading "Corps of Engineers—Rivers and harbors", on page 6, line 4, after the figures "\$35,700,000", to strike out "and, in addition, \$2,000,000 of the unobligated balance on June 30, 1943, of the appropriation 'Maintenance and improvement of existing river and harbor works,' is hereby reappropriated for the execution of detail investigations and the preparation of plans and specifications for projects heretofore or hereafter authorized" and insert "and so much of the unobligated balance on June 30, 1943, of the appropriation 'Maintenance and improvement of existing river and harbor works' as the Secretary of War determines to be necessary is hereby made available for the execution of detail investigations and the preparation of plans and specifications for projects heretofore or hereafter authorized."

Mr. WHERRY. Mr. President, may we have from the distinguished senior Senator from Oklahoma an explanation of the amendment on page 6, line 4?

Mr. THOMAS of Oklahoma. Mr. President, as the bill passed the House, \$2,000,000 was earmarked to be made available to the Chief of Engineers for the purpose of making surveys and plans for authorized projects, and having such plans and surveys completed and ready for immediate use when the war is over, the purpose being to have available projects which could be quickly advertised so as to give employment to the returning soldiers and to those who will cease to be employed in defense plants. The amendment submitted by the Senate is to strike out the appropriation of \$2,000,000, and to leave the matter within the discretion of the Secretary of War.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 6, line 4.

The amendment was agreed to.

The next amendment was, under the subhead "Flood Control," on page 7, line 24, after the figures "\$100", to strike out "and, in addition, \$2,400,000 of the unobligated balance on June 30, 1943, of the appropriation Flood control, general, is hereby reappropriated for the preparation of detailed plans and specifications of authorized flood control projects, and for rescue work or the repair or maintenance of any flood control work threatened or destroyed by flood, pursuant to section 5 of the Flood Control Act, approved August 18, 1941" and insert "and so much of the unobligated balance on June 30, 1943, of the appropriation Flood control, general, as the Secretary of War determines to be necessary is hereby made available for the preparation of detailed plans and specifications of authorized flood-control projects, for rescue work or the repair or maintenance of any flood-control work threatened or destroyed by flood, pursuant to section 5 of the Flood Control Act, approved August 18, 1941, for reimbursement to the city of Hartford, Conn., as authorized by the Flood Control Act approved August 18, 1941, and for construction of the flood-control projects heretofore authorized for the Mermentau River, Bayou Teche, and Vermilion River, La."

Mr. THOMAS of Oklahoma. Mr. President, I should like to say a word by way of explanation. The Senate committee recommends that two projects in Louisiana be provided for in the bill. Heretofore, so far as we are concerned, the Senate has made appropriations to build a levee work or a ditch work in Louisiana to take care of certain swamp lands which heretofore, when floods came, overflowed, with the result that crops were destroyed. The crops include rice, cotton, and sugarcane. Furthermore, in that particular area is a substantial oil field; and every time a considerable flood occurs there, the whole territory is inundated, the crops are destroyed, and the oil field is greatly injured. So the Senate committee recommends again that the items be included in the pending bill.

Mr. OVERTON subsequently said: Mr. President, I ask unanimous consent to have incorporated in the RECORD immediately following the remarks of the Senator from Oklahoma [Mr. THOMAS] with respect to an amendment relating to certain Louisiana projects, the statement I made before the subcommittee conducting hearings on the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. JOHN H. OVERTON, A SENATOR FROM THE STATE OF LOUISIANA  
BAYOU TECHE AND VERMILION AND MERMENTAU RIVERS, LA.

Senator OVERTON. I desire to present briefly to the committee an appropriation item covering the Bayou Teche and Vermilion River and the Mermentau River, La.

#### AUTHORIZATION OF PROJECTS

Both these projects were authorized by Congress in 1941, by Public Law 228, Seventy-seventh Congress, chapter 377, first session. The text of the authorization of the Teche-Vermilion projects is as follows:

"The project for the improvement of Bayou Teche and the Vermilion River, La., is hereby authorized to be constructed substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 93, Seventy-seventh Congress, first session, at an estimated cost of \$1,390,000."

The text of the authorization of the Mermentau River Basin project is as follows:

"The project for the improvement of the Mermentau River, La., for flood control is hereby authorized to be constructed substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 94, Seventy-seventh Congress, first session, at an estimated cost of \$970,000."

#### SUPPORTING TESTIMONY IN HEARING IN 1942 ON WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL

When this subcommittee had under consideration the War Department civil functions appropriation bill for 1943, on which hearings were conducted by this committee in March of last year, the testimony in support of the urgent necessity of constructing both projects was adduced before this committee. The statements of the various witnesses are to be found on pages 64 to 84, both inclusive, of the March 1942 hearings. I do not think it necessary to present the same or additional witnesses at this hearing, with the exception of two Representatives, one from the Third Congressional District of Louisiana and the other from the Seventh District of Louisiana, who are in a position, Mr. Chairman, to bring us right up to date with reference to the situation generally that prevails in the two basins.

The statements made in the March 1942 hearings will suffice, and I ask permission, Mr. Chairman, to incorporate by reference into these hearings the statements made in support of the Teche-Vermilion and Mermentau projects to be found on pages 64 to 84, both inclusive, of the hearings conducted before the committee on H. R. 6736, making appropriations for the fiscal year ending June 30, 1943, for civil functions of the War Department, Seventy-seventh Congress, second session.

Senator THOMAS. I understand that you are not asking that the testimony taken here at that time be printed at this point in the record, but merely that we refer to the testimony and make it a part of the hearings, so that anyone interested can see what you are referring to; the same being the hearings on the War Department civil functions appropriation bill for 1943, and the pages indicated found in part I. Is that correct?

Senator OVERTON. That is correct, Senator. Senator THOMAS. Very well.

#### FACTS SUPPORTING PROJECTS

Senator OVERTON. It may be well to point out to the committee some of the main facts supporting an amendment to provide for an appropriation for these projects in the present bill.

#### AREA AFFECTED BY PROJECTS

The area affected by the Teche-Vermilion and Mermentau projects involves all or part of 12 parishes, having an area of 9,904 square miles and a population of almost half a million. This area contains over two and one-quarter million acres of farm lands.

#### CAUSE OF FLOODING OF AFFECTED AREA

The area is subject to inundation, mainly as a result of the silting of the outlets of the Vermilion and Mermentau Rivers. The silting has so increased and has so dammed

these outlets that a comparatively small rainfall results in the overflow of large quantities of rich, cultivable lands.

#### EXPENDITURES BY LOCAL DRAINAGE DISTRICTS

In order to solve the flood problems in the area, local drainage districts to the number of 121 were formed and over \$8,000,000 have been spent for drainage purposes. But the drainage systems constructed are ineffective because the Mermentau and Vermilion Rivers are, as above stated, through silt formation, closing these outlets and the silting is progressing upstream rapidly.

So that it makes very little difference how much money they spend on drainage systems and how many drainage channels they have, the drainage is controlled by the outlets of these two rivers, the Mermentau and the Vermilion, which empty into the Gulf of Mexico. So that if these outlets are silted up and closed, very largely, why, the drainage systems incorporated in these numerous drainage districts are wholly ineffective.

Now, for example, at mile 5 on the Mermentau, the channel cross section had an area of 1,350 square feet below sea level in 1913 and in December 1940 this area had contracted, through silting, to only 300 square feet. Practically the same condition prevails in the Vermilion River outlet.

#### PRINCIPAL CROPS GROWN IN AREA AFFECTED

Now the principal crops grown in the affected area are rice, of which we have an insufficient supply; sugarcane, and there is an insufficient supply of sugar, cotton, corn, sweetpotatoes, and livestock.

In 1939, this area produced over four and one-half million barrels of rice, which represents a production of over one-third of the total rice produced in the United States. In that year, the sugarcane production was over a million and a quarter tons; bales of cotton over 70,000; sweetpotatoes over 4,000,000 bushels; corn over 6,000,000 bushels; and over a third of a million head of beef cattle.

#### TOTAL LOSS OCCASIONED BY 1940 FLOOD

In the following year, 1940, the area was visited by a precipitation of rainfall of from 12 to 24 inches in a few days—my recollection is in 1 or 2 days—resulting in crop losses, estimated by the Department of Agriculture, at over \$10,000,000, of which between 60 to 80 percent was to be attributed to this flood; and also resulted in a tremendously increased silting of the outlets of the two rivers in question.

Since 1940, the production of the Vermilion and Mermentau area has greatly decreased because even a comparatively slight rainfall results in the destruction of crops.

#### LOCAL DRAINAGE EXPENDITURES USELESS WITHOUT COMPLETING PROJECTS

The efforts of local drainage committees and the expenditure of over \$8,000,000 to drain this rich producing area are "love's labors lost," and a tremendous destruction of the production of vitally needed foods, running into millions of dollars, will continue to occur unless the authorized improvements of these two streams receive the comparatively small appropriation necessary for the construction; namely, \$2,360,000, being \$1,390,000 for the Teche-Vermilion and \$970,000 for the Mermentau.

#### APPROPRIATION APPROVED BY SENATE IN 1943 BILL

This subcommittee and the full Committee on Appropriations and the Senate itself made an appropriation in a less sum than the sum authorized when it had under consideration the War Department civil functions appropriation bill last year. The appropriation, however, was lost in conference, solely because there was no Budget estimate. I do not think that I betray any confidences when I state that the House conferees considered the two projects meritorious and disagreed to the Senate amendment solely on

the ground that there was no Budget estimate.

Now, Mr. Chairman, while I have spoken of an appropriation, it is my understanding that there are unobligated balances under "Flood control, general," in the sum of \$36,000,000, approximately, and instead of making an appropriation of new money, this committee could adopt an amendment to the bill that would allocate unobligated balances of existing appropriations under "Flood control, general" in the sum of \$2,360,000 to take care of the two projects.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 7, line 24.

The amendment was agreed to.

The next amendment was, on page 9, line 23, after the word "appropriation", to strike out "\$14,000,000", and at the end of line 24, after the word "vehicles", to insert a comma and "\$14,000,000."

Mr. THOMAS of Oklahoma. Mr. President, the amendment is simply to correct a clerical error in the composition of the bill. The first item is to strike out "\$14,000,000" in line 23 and then to put the same item of \$14,000,000 at the end of line 24. There will be no difference in meaning, but the amendment is simply to make the language clearer.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 9, line 23.

The amendment was agreed to.

The next amendment was, on page 10, line 14, after the word "appropriation", to strike out "Maintenance and improvement of existing river and harbor works" and insert "Flood control, general."

Mr. THOMAS of Oklahoma. Mr. President, the amendment was recommended at the request of the War Department. The words stricken out are "Maintenance and improvement of existing river and harbor works." The Department recommended that those words be stricken, and that the words "Flood control, general," be inserted, for the reason that the words "Flood control, general" are a little broader than are the words "Maintenance and improvement of existing river and harbor works." The amendment is simply a means of giving the Department a little more leeway than it would have were the words proposed to be stricken to be kept in the bill. That is the purpose of the amendment, as we understood it in the committee.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 10, line 14.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to further amendment.

If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill H. R. 2346 was read the third time and passed.

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that

the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. THOMAS of Oklahoma, Mr. HAYDEN, Mr. OVERTON, Mr. RUSSELL, Mr. BAILEY, Mr. REYNOLDS, Mr. BRIDGES, and Mr. LODGE conferees on the part of the Senate.

#### FLORIDA BARGE CANAL

Mr. PEPPER. Mr. President, I wish to make a brief comment concerning the omission from the War Department civil functions bill, which has just passed the Senate, of provision for an appropriation for the project known as the Florida barge canal. The full committee, by a vote of 17 to 14, determined, notwithstanding the favorable report of the subcommittee, not to recommend the appropriation of that item at the present time.

I have conferred with some of the members of the committee who opposed the appropriation. I find that they were not divided from the proponents of the project on the issue of its merits, but only on the question of when it was desirable and proper in the national interest to begin the actual construction of the project. In fact, I have heard it said by members of the committee that at least two-thirds of the membership of the full committee expressed themselves as being in favor of the project. So far as I know, no question has been raised by members of the committee save as to the question whether or not, in view of the shortage of critical materials and manpower, the construction of the project, however useful, should be immediately begun.

I am sure that my friends on the committee will understand that I do not subscribe to the judgment which they entertain about this matter. However, I have the most profound respect for them, and I submit to their judgment in this matter. Therefore we who are the proponents of the amendment which would have authorized the appropriation which would have made possible the initiation of construction as soon as the Secretary of War, the Secretary of the Navy, and the Secretary of Commerce might have approved the initiation of construction, have not offered the amendment. However, the proponents of the project are still of the opinion that the wiser course would have been to have made provision, by an appropriation, for the initiation of the project.

What I wanted to say, Mr. President, was that I think the action of the committee is based upon the impression given by the Office of Petroleum Administration for War that the facilities it has provided for furnishing petroleum products to the Atlantic seaboard are adequate, to use the language of Major Parten, representing the Petroleum Administration for War, "to meet all essential needs of that area." The committee had before it that statement of Major Parten. They were told that the Petroleum Administration for War has under construction two pipe lines to move petroleum products from the Gulf area to the Atlantic seaboard. One of those is a 24-inch pipe line, originating in the Texas oil fields, extending to Norris City, Ill., and thence

to the Atlantic seaboard. That pipe line at the present time has reached only Norris City, Ill. A second pipe line, 20 inches in diameter, is to be constructed by the Petroleum Administrator for War from the Texas oil fields by Seymour, Ind., to the Atlantic seaboard. Not a foot of that 20-inch pipe line has been laid in the ground.

It is estimated by the Petroleum Administration for War that the 20-inch pipe line will move 165,000 barrels of petroleum products a day by the first of December of this year, and that it will move 235,000 barrels of petroleum products a day by April 1944.

The Petroleum Administration for War advised the committee, in the hearings which are published, that when those two pipe lines were completed and when all the other overland facilities which they contemplated were in operation, the total quantity of petroleum products to be transported to the Atlantic seaboard would be 1,600,000 barrels a day.

Mr. President, I wonder how many Senators know; I wonder how many of the people of New England know, that that is only substantially what the peacetime petroleum supply of that area was. Therefore, we are told by the Petroleum Administration for War that they do not contemplate putting into that area a larger quantity of petroleum products than went there in peacetime. Of necessity, then, they expect the peacetime supply of petroleum products to the Atlantic seaboard to serve not only the peace needs of the civilian population, or the normal needs of the civilian population, or even the war needs of the civilian population, but in addition thereto, the Maritime Commission, which furnishes petroleum products to our Allied ships as well as our own, plying the high seas from the Atlantic seaboard; the Lend-Lease Administration, which supplies our allies; the Navy, and the Army, and in addition thereto, the war industries located in that area.

I do not quarrel with the decision of the able committee in relying upon the advice given it by the Petroleum Administration for War. Yet, Mr. President, I say on this floor this afternoon that such a supply of petroleum products will not be adequate to meet the war needs of this Nation and give anything to the civilian population. I wonder how many Senators from the Atlantic seaboard know that a part of the plan of the Petroleum Administration for War is to require that facilities using 100,000 barrels of petroleum products a day be converted during the coming season from the use of petroleum products to the use of coal. Last season facilities using 120,000 barrels of petroleum products a day were converted. This additional conversion is to be required of the Atlantic seaboard.

Mr. President, we are supplying an army abroad of relatively small size compared to the forces we will have in the European theater of operations. Every Senator knows that we will double, treble, quadruple, and multiply by 10—yes, 20

times—the number of troops we now have in the European theater of military operations.

We know about the shortage of petroleum products on the Atlantic seaboard during the past winter. As these military operations are stepped up, as a larger number of ships come into being which must be fueled from that area, as lend-lease requirements multiply, as the Navy has yet a greater demand, petroleum products for the civilian population of the Atlantic seaboard will be cut more and more. They will be required to convert more and more heating facilities in their industries and homes. They are already saying to some of us in the South, remote from the coal fields and proximate to the Gulf of Mexico, that we must convert our facilities from the consumption of gasoline and fuel oil to the consumption of coal. That means that coal cars must go to West Virginia and Pennsylvania to get coal and carry it back to Georgia, South Carolina, Florida, and other States in the southeastern portion of the country.

Mr. President, I acquiesced in that decision; yet from my own knowledge of the demands of the war effort in that area, and the quantity which it is contemplated to provide to that section, I am certain in my mind that it will not be 6 months before Secretary Harold Ickes will be before Congress or the War Production Board asking for authority to start a third pipe line.

Someone may ask, "Why not build more pipe lines?" I wonder if Senators know how much steel has been allocated to the two pipe lines already approved by the War Production Board? Six hundred and forty-eight thousand tons of new steel, Mr. President. It would take 28,000 tons of new steel to build the Florida Barge Canal. Someone may say, "Yes; but after all, look what a large quantity of petroleum products the pipe lines move." Mr. President, even the figure of 648,000 tons—and that is the figure of the War Production Board in the record—does not contemplate the feeder lines which must be built to get to the pipe lines, nor does it contemplate the distribution facilities from the termini of the pipe lines on the Atlantic seaboard to the area to the north and south of those termini.

Mr. President, figures have been submitted for the Record, which will bear scrutiny, and I think they can be confirmed by the figures of the Chief of Engineers. They comprise factual data to show that it is possible to move a given quantity of petroleum products from the oil area of Texas and the Gulf coast to the Atlantic seaboard with greater economy by the use of steel in building the proposed barge canal, as well as the tugs and the barges to be operated thereon, than by building pipe lines to move the same quantity of petroleum products.

I wonder if Senators are aware of how serious the discrimination is today against the Atlantic seaboard in the use of petroleum products. An A card in the Atlantic seaboard area, district No. 1, is worth 1½ gallons of gasoline

a week. West of district No. 1, outside the Atlantic seaboard area, it is worth a minimum of 4 gallons a week. I heard that the value of the A card on the Atlantic seaboard is about to be reduced to 1 gallon a week.

In today's newspapers the Office of Price Administration tells the people of the Atlantic seaboard of the serious shortage which prevails in that area with respect to petroleum products, and no encouragement is offered for the future.

Mr. President, I started to say that I wonder if Senators are aware how that situation would be improved if the proposed barge canal were in operation and we had the tugs and the barges in which to move the petroleum supplies over it. One tug pulling a tow of three barges, each carrying 10,000 barrels of petroleum products, would raise the value of an A card in the Atlantic seaboard area from 1½ gallons a week to what it is in every other part of the country outside the Atlantic seaboard area.

One tug moving 1 tow of 3 barges, carrying 10,000 barrels each, per day, moving through the canal from the Gulf coast to the Atlantic seaboard, would raise the value of an A card from 1½ gallons a week to what it is in other sections of the country.

Now, let me give one other figure, Mr. President. Four tugs, each towing a total of 3 barges, each barge carrying 10,000 barrels of petroleum products a day, moving through that canal to the Atlantic seaboard, would completely eliminate the undervalue of the A card for that area, and eliminate the necessity of any conversion or fuel-oil rationing in that area.

Four tugs, each pulling 3 barges a day, moving eastward and northward through the canal, would eliminate the lessened value of the A card in that area and remove the necessity for fuel-oil conversion or rationing to the people of that section.

Mr. President, if I may mention one other factor, let me say that 90,000,000 tons of freight were moved by water from the Gulf coast to the Atlantic seaboard before the war. The German submarine has substantially stopped that movement—indeed, practically entirely stopped it. Does the Senate realize what that means in additional burden to the railroads of the Nation? I will explain what it means. It means that moving the volume of traffic which has been diverted from the Gulf and Atlantic to the railroads because of the submarine menace will keep every railroad in America operating at maximum efficiency for 70 days out of the year. Do I make clear what I mean? I mean that the elimination of our Gulf-Atlantic commerce by the hazard of the submarine has thrown upon the railroads of the Nation a burden which takes every railroad in America 70 days to move, acting at maximum efficiency. If the Florida barge canal were functioning, it would, to a very large degree, restore that traffic to the water, and take it from the already overburdened railroads of the Nation.

What is one of the results, Mr. President, of the added burden which has

been placed upon the railroads? It is that while the traffic upon the railroads of the Nation has increased by more than 30 percent, the number of wrecks upon the Nation's railroads has increased by more than 90 percent. That means broken rails, broken cars, broken locomotives, and lost lives. It means the diversion of the railroad facilities from the movement of things essential to the war effort to more of the ordinary commerce passing between the Gulf and Atlantic coast areas.

Mr. President, one of the great men who sat in this body, who notably and nobly served the Nation, was our late lamented colleague, Senator William Gibbs McAdoo, of California. A motion picture was made a few years ago to indicate the attitude of certain Members of this body toward the construction of the Florida Ship Canal. Among the illustrious men of the Senate who appeared in that picture, which is still extant, was former Senator McAdoo, and in that picture Senator McAdoo said, in substance:

Having been Director General of the Railroads of the United States during World War No. 1, I know that the railroads, without water transportation being available to assist them, cannot move the war commerce of America between the Gulf coast and the Atlantic seaboard.

How correct he was, Mr. President, has been borne out by the experience we have already had in this war.

I am not quarreling with any of my colleagues. I respect their judgment and opinion. Upon the advice which they had they might with difficulty have done other than what they did. But I am asking the Senate, Congress, and the country to keep a close eye on whether the facilities which are in contemplation by the Petroleum Administration for War will prove adequate to serve the needs of the Atlantic seaboard and the war needs which flow from that section. If it becomes apparent that the 1,600,000 barrels a day will not serve that area, that additional facilities must be provided, that the materials will be used either for the construction of pipe lines or the proposed canal together with the tugs and barges to be operated upon it, then I humbly ask the Senate, the Congress, and the country to maintain an open mind, to reconsider this project, to compare it with alternative methods of transportation, and to judge whether or not it is in the public interest that it be constructed.

Obviously pipe lines cannot carry sulfur, which moves in large volume from the Gulf coast to Baltimore and the Atlantic seaboard for war purposes. Obviously pipe lines cannot transport other dry cargo, but the canal could and would.

More and more it appears on the record today that a large amount of money, running to at least \$25,000,000 a month, is being paid by the Reconstruction Finance Corporation to make up the difference in the cost of moving petroleum products, and essential war materials, including sulfur, from the Gulf coast to the Atlantic seaboard by rail instead of by water, as those commodities previously moved.

While, therefore, the letters of the Secretary of the Navy and the Secretary of War which are in the record were written to the committee in respect to its inquiry as to their opinion upon this project, they have indicated by subsequent letters that they did not lay this proposed project alongside an additional pipe line and pass judgment upon a comparison between the two. They were taking the word of the Petroleum Administrator for War that he had already provided sufficient facilities to serve the needs of the Atlantic seaboard. But in supplementary letters to the able Senator from South Carolina [Mr. MAYBANK] who now sits before me, and the able Senator from New Hampshire [Mr. BRIDGES], Secretary Knox, and Under Secretary Patterson both said that, assuming the same economy of the pipe line and barge canal, together with the tugs and the barges to be operated on it, in the use of critical materials, they would prefer the canal to the pipe line.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MAYBANK. In reference to the letters which the Senator said were subsequently written, it was in no way the desire of the authors of the bill providing for the canal to interfere with any strategic materials which are necessary insofar as the war is concerned.

Mr. PEPPER. The Senator is correct. In the Senate Committee on Appropriations there was inserted an amendment offered by the able Senator from Oklahoma [Mr. THOMAS], chairman of the subcommittee, acquiesced in by the proponents of this project, to provide that no construction should be begun upon this project, even if the appropriation were made, unless such construction were approved by the Secretary of War, the Secretary of the Navy, and the Secretary of Commerce. It was not the intention of anyone to interfere with more essential projects or programs of the armed services.

Mr. MAYBANK. Simultaneous with the statement of the Petroleum Administrator for War, the substance of which the Senator has stated, that the needs of the Southeast had been cared for, as the able Senator has said, the O. P. A. Administrator made the statement that we were to be even further reduced in the use of gasoline. I might add for the RECORD that the condition is still the same as it was last June, when we first passed the legislation; the pipe lines running through Georgia and the Carolinas are still being used to remove gas from the rationed States and to ship it into the unrationed States, where the coupons are worth much more in the quantity of gasoline. So far as I can find, the people cannot understand how it is that there is still being taken from the pipe lines running through the Southeast, not gasoline for the Army or the Navy, because they could have it all, so far as we are concerned, but gasoline is being taken from us and given to others, and more is being given to others than we receive.

I may say, Mr. President, that I am informed—and it appears in the press

every day—that the automobile dealers and the various motor clubs cannot ascertain, they cannot get an answer, why something should be taken from us and given to someone else—and with the distinct understanding that it is not for the Army or the Navy or the war effort, for they could have it all—but why our individual citizens should be denied gasoline when individual citizens who are our neighbors are able to get it, and why, with such a condition existing, we are again told and notified through the press that the people of that section are to be further penalized, allowed less and less gasoline, and I might say even less kerosene oil.

Mr. MALONEY. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. MALONEY. I ask unanimous consent that at the conclusion of the remarks of the distinguished Senator from Florida there be printed the letters of the War and Navy Departments to which he has referred.

Mr. PEPPER. The principal letters and the supplementary letters?

Mr. MALONEY. The latest letters, which are a part of the hearings before the Committee on Appropriations.

Mr. PEPPER. I certainly have no objection, but I ask that the letters to the Secretaries be printed with the replies.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibits 1 and 2.)

Mr. PEPPER. Mr. President, I thank the able Senator from South Carolina for what he has said.

In my State the people who wish to hunt in their own woods and fish in their own streams have been forbidden to do so if they are to be transported to the places of hunting and fishing by automobiles, yet they see the citizens of an adjoining State come to fish and to hunt with impunity, before their very eyes, by using some of the gasoline which passed through the State of Florida.

Mr. MAYBANK. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. MAYBANK. Not only that, but the drug salesmen of our State cannot obtain gasoline to take them into the rural districts of the State, while the salesmen from other States nearby can get the gasoline with which to take them into the rural areas to take care of the needs and the health and the welfare of the people.

Mr. PEPPER. If the agencies of the Government responsible for the movement of petroleum supplies had been on the alert, if they had been competent, if they had had some imagination, a great deal of the suffering and the shortage on the Atlantic seaboard during the past winter would not have occurred. Month after month some of us from that area begged and pleaded with the Petroleum Administration for War and other agencies of the Government to build barges to be used upon the waterways we already had, and only 6 or 8 months after they should have been completed were we ever able to initiate even a modest program.

Mr. President, the people have reason to be indignant because of the incompetence exhibited in the effort to supply the petroleum needs of the Atlantic seaboard. I repeat, there is a canal a minimum of 9 feet deep, now being made 12 feet deep, from Corpus Christi, Tex., to the west coast of Florida. There is a canal over 900 miles long, with a minimum depth of 12 feet, from the east coast of Florida to Trenton, N. J., and from Norfolk, Va., to Trenton it has a minimum depth of 27 feet. If the 92-mile connecting link, costing no more, at the outside, than fifty or sixty million dollars, along the route approved and surveyed by the Engineer Corps, were constructed it would put together the Gulf coast intercoastal waterway and the Atlantic intercoastal waterway, and make a continuous inland protected waterway some 2,000 miles in length from Corpus Christi, Tex., to Trenton, N. J.

Mr. President, would that be to the national interest? The Russians are building canals in the midst of war, the Germans are building canals in the midst of war. I am told that one of the first things the Nazis did when they came into the occupied countries of Europe was to connect up a system of canals and waterways and make them bear the commerce they wanted to carry.

I wish that in some way those of us who have fought through thick and thin for this project, in my own case for 6½ years since I have been in the Senate, and my predecessor ahead of me, one of the grandest men who ever honored this body, revered by men on both sides of the aisle, Senator Duncan U. Fletcher. I wish that we could get this project in the realm of merit, and keep it from being, as it has been so much in the past, a political football.

The project does not mean any more to Florida than it means to the other States along the Gulf and the Atlantic seaboard. I have taken a great deal of punishment politically, I suppose I shall take much more, because I believe this is a worthy project in the national interest. Therefore I have fought for it, and I shall continue to fight for it. But when President Roosevelt, with the able Senator from Arkansas, the great Joseph T. Robinson, the leader in the Senate, carrying the banner of this project—it was then a sea-level canal—proposed and initiated the construction of it in 1935, and spent some \$6,000,000 upon it, he was stopped. Why? Because it lacks merit? No; because the political opposition was strong enough to stop it.

Mr. President, the Army and the Navy now say they wish they had the canal. They now say it cannot be built before the war will be over. If the President had been allowed to continue his work in 1935 the canal would have been ready by 1940 or 1941 or 1942 at the outside. Think of the lives, think of the ships, think of the cargoes which would have been saved if the peninsula of the State of Florida had been bisected by this waterway and the convoys around it made unnecessary.

But, Mr. President, it was said then that the canal could not be constructed in

time. First, it was said we were not going to have a war at all; that we would not need the canal, and that no one would use it. Has that reason for opposition been confirmed by experience? It is said now that if the canal can be built before the war is over those who have opposed it would favor it. Who dares to say, Mr. President, when the war is going to be over? Who dares to say with certainty in his heart, that this holocaust will have ended by the time General Reybold, Chief of Engineers, says the canal can be constructed—at the outside, 2 years? Indeed, when questioned by Senate committee members, General Reybold said it was reasonable to assume that the canal could be built by the winter of 1944-45. So this project was not offered to meet the demands of the winter of 1943-44.

Mr. President, I ask the Congress what provision is being made, what has been made, what is to be made for the needs of the Atlantic seaboard for the winter of 1944-45? When the critical materials situation eases a bit, when the manpower demand becomes less severe, when more drag lines become available by reason of the cessation of other Government work which is in progress, I believe, in fact I know, from having talked to members of the committee who thought this project should be temporarily deferred, that it will receive a cordial and a hospitable reception in the distinguished Committee on Appropriations of the Senate.

So, Mr. President, I hope that representatives of the Petroleum Administration for War will be candid enough to come back and tell the Congress, "We have erred in our estimate that the facilities we were providing would be adequate to meet the especial needs of the Atlantic seaboard. We find we are in error. You shall have to make it possible for us to have an additional pipe line." Then, Mr. President, Congress can pass upon the relative merits of the two projects. They know that the canal can be built and tugs and barges be in operation by the time a third pipe line can be provided.

Senators know that this project has merits or it would not have received a favorable report from the distinguished subcommittee on Rivers and Harbors of the Senate Committee on Appropriations, led by the able Senator from Oklahoma [Mr. THOMAS]. A good record is here now, Mr. President, ready to be inspected by all upon its merits.

I wanted to rise principally, therefore, to call the attention of the Senate to the record which has been made, to invite consideration of it by the Senators interested in the petroleum supplies of the Atlantic seaboard, so they may make their own inquiries with respect to this question. Has Secretary Ickes' Petroleum Administration for War assured those Senators that they will receive an adequate quantity of petroleum products in the winter of 1944-45? If they are not confident that he has, then, Mr. President, let them make a comparison between the canal and a third pipe line. Let them determine which will require more critical materials, more manpower, or take

longer to build, and which will do more good to the Nation and best serve the war effort.

Upon that basis, Mr. President, we leave the matter, with complete satisfaction and confidence in the Members of the Senate and of the House.

## EXHIBIT 1

APRIL 26, 1943.

HON. FRANK KNOX,

*Secretary of the Navy,**Washington, D. C.*

DEAR MR. SECRETARY: We have seen the Navy Department's letter to the chairman of the Senate Appropriations Committee in respect to the amendment pending before the Senate Appropriations Committee proposing an appropriation for the unfinished link in the Atlantic-Gulf Intracoastal Waterway across Florida.

You advise that the canal, if completed, would have certain naval advantages for small craft, and that if "large numbers of tugs and barges were available such that critical war materials, oil, and produce could be transported without the use of sea-borne shipping the situation would be desirable in connection with the present war effort."

You state further, however, that "should any considerable amount of critical materials be required in the construction of the canal or any considerable construction of floating equipment, tugs, and barges be required such that any diversion of strategic and critical materials from the present shipbuilding program would result, the Navy Department would consider the project as undesirable for completion at this time."

You, therefore, express the opinion this project should be held in abeyance.

It is apparent that you have based your opinion upon the naval value of this project. We who live on the Atlantic seaboard and who have already experienced the privations and hardships which come from a petroleum shortage in that area due to lack of adequate transportation facilities, are concerned not only about the naval value of this project, but about what it would mean to the civilian economy as well as to meeting needs of our armed forces in the United States engaged in training, of war industries located in that area, lend-lease shipments, of the ships operating under the War Shipping Administration which are fueled from that area, and the petroleum needs of our armed forces across the Atlantic.

The War Production Board advises that they have already allocated 648,000 tons of steel for the construction of the two pipe lines, either in course of construction or proposed by the Petroleum Administration for War.

This does not include steel used in the feeder lines to these pipe lines, nor the steel going into some 15 80,000-barrel storage tanks which must be constructed in connection with such pipe lines. Neither does this figure include the critical materials used in the conversion from oil to coal in district No. 1 of facilities normally consuming around 100,000 barrels of fuel oil per day, and a similar amount of conversion which is going to be required under the present program of the Petroleum Administration for War in district No. 1 this year.

You have apparently assumed that if this link in the Intracoastal Waterway system were not constructed that the Nation would save the critical materials such construction would require. It is the opinion of many of us, however, who know how seriously the economy of the Atlantic seaboard is affected and will be affected by a petroleum shortage and a further conversion program, and it has been made clear by the Petroleum Administration for War itself, that there will have to be constructed additional pipe lines to supply district No. 1—the east coast of the United

States—with a minimum quantity of petroleum products for the civilian population and the civilian economy in view of the constantly increasing demands for petroleum products from that area for offshore war purposes.

General Reybold has testified before a subcommittee of the Senate Appropriations Committee that he knew he could construct this canal across Florida to connect up the Gulf and Atlantic Intracoastal Waterway system within 2 years, and that it was reasonable to expect that he could have it in operation by the winter of 1944-45.

The figures of the Chief of Engineers also disclose that there is a greater economy in constructing this barge canal and the tugs and barges to be operated thereon, even if such barges are all steel (and the Engineers have already built an experimental concrete barge which shows much promise and admittedly wooden barges are completely satisfactory for moving residual fuel oil), than in constructing pipe lines from the Texas oil fields to the Atlantic seaboard for the movement of a given quantity of petroleum products.

General Reybold further testified that the canal would move dry cargo, including essential war materials which, of course, could not be moved through pipe lines. It is apparent that this Intracoastal Canal, if completely in operation, would greatly relieve the already overburdened railroads and allow their facilities to be employed more completely in essential war transportation.

We would, therefore, like to have your opinion on the following question:

If the Congress should decide to provide additional transportation facilities for moving petroleum to the Atlantic seaboard, including the presently approved pipe lines, and if it is true that there is a greater economy in the use of critical materials in the construction of this waterway and the tugs and barges to be operated thereon than in the construction of additional pipe lines, or the provision of other facilities for the movement of such additional supplies of petroleum to the Atlantic seaboard, then in view of the naval value this waterway would have over and above the naval value of such other methods of transportation in the movement of petroleum products and dry cargo, and in view of the permanent aid to the commerce of the Gulf and the Atlantic seaboard area from the existence of an Intracoastal Canal 12 feet deep from Corpus Christi, Tex., to Trenton, N. J., would you still say that you do not favor the amendment proposing this appropriation for this waterway?

Very sincerely yours,  
STYLES BRIDGES.  
BURNET R. MAYBANK.

DEPARTMENT OF THE NAVY,  
OFFICE OF THE SECRETARY,  
Washington, April 27, 1943.

HON. STYLES BRIDGES,  
HON. BURNET R. MAYBANK,

United States Senate, Washington, D. C.

DEAR MR. SENATORS: In your letter of April 26, 1943, concerning the Florida barge canal you have given certain information in connection with the relative advantages of pipe lines and the canal for the purpose of handling oil. Certain long-range advantages are expected to be obtained from the canal.

In a previous letter of April 19, 1943, the Navy Department expressed the opinion that the Florida barge canal should be held in abeyance as a matter of conservation of critical materials, particularly critical material in connection with the current naval shipbuilding program.

In your letter you suggest that the Congress may find it necessary to provide additional transportation facilities for moving petroleum to the Atlantic seaboard in addi-

tion to the two large presently approved pipe lines for which it is understood 648,000 tons of steel have been allocated.

You ask, if on the assumption that additional transportation facilities are decided upon by the Congress as being necessary during the present emergency, and if there is greater economy in the use of critical materials for the construction of the waterway, and the tugs and barges to be operated thereon, as compared to any additional proposed pipe lines or other facilities that may be proposed, would the Navy still say that they did not favor the amendment proposing the appropriation for this waterway?

Under the conditions you have outlined, and also providing that such allotment of critical materials as is necessary for this project is not made from critical material required for the naval shipbuilding program, the Navy Department withdraws the opinion previously expressed that the project should be held in abeyance.

Sincerely yours,

FRANK KNOX.

#### EXHIBIT 2

APRIL 26, 1943.

Judge ROBERT PATTERSON,  
Under Secretary of War,  
Washington, D. C.

DEAR SECRETARY PATTERSON: We have seen your letter addressed to the chairman of the Senate Appropriations Committee respecting the proposed appropriation for the construction of the uncompleted link in the Gulf-Atlantic Intracoastal Waterway system across the peninsula of Florida in which you advise that the War Department does not favor the enactment of the amendment proposing such appropriation, notwithstanding the military value which such project would have if now in existence.

You base your opinion upon the hypothesis that the canal could not be put into operation for a considerable period and the military value which the project would have when completed would not equal the cost of its present construction in terms of critical materials, manpower, and equipment.

It is apparent that you have based your opinion upon the military value of this project. We who live on the Atlantic seaboard and who have already experienced the privations and hardships which come from a petroleum shortage in that area due to lack of adequate transportation facilities, are concerned not only about the military value of this project, but about what it would mean to the civilian economy as well as to meeting needs of our armed forces in the United States engaged in training, of war industries located in that area, lend-lease shipments, of the ships operating under the War Shipping Administration which are fueled from that area, and the petroleum needs of our armed forces across the Atlantic.

The War Production Board advises that they have already allocated 648,000 tons of steel for the construction of the two pipe lines, either in course of construction, or proposed by the Petroleum Administration for War.

This does not include steel used in the feeder lines to these pipe lines, nor the steel going into some fifteen 80,000-barrel storage tanks which must be constructed in connection with such pipe lines. Neither does this figure include the critical materials used in the conversion from oil to coal in District No. 1 of facilities normally consuming around 100,000 barrels of fuel oil per day, and a similar amount of conversion which is going to be required under the present program of the Petroleum Administration for War in District No. 1 this year.

You have apparently assumed that if this link in the Intracoastal Waterway System were not constructed that the Nation would

save the critical materials, equipment, and manpower such construction would require. It is the opinion of many of us, however, who know how seriously the economy of the Atlantic seaboard is affected and will be affected by a petroleum shortage and a further conversion program, and it has been made clear by the Petroleum Administration for War itself, that there will have to be constructed additional pipe lines to supply District No. 1—the east coast of the United States—with a minimum quantity of petroleum products for the civilian population and the civilian economy in view of the constantly increasing demands for petroleum products from that area for offshore war purposes.

General Reybold has testified before a subcommittee of the Senate Appropriations Committee that he knew he could construct this canal across Florida to connect up the Gulf and Atlantic Intracoastal Waterway system within 2 years, and that it was reasonable to expect that he could have it in operation by the winter of 1944-45.

The figures of the Chief of Engineers also disclose that there is a greater economy in constructing this barge canal and the tugs and barges to be operated thereon, even if such barges are all steel (and the engineers have already built an experimental concrete barge which shows much promise and admittedly wooden barges are completely satisfactory for moving residual fuel oil), than in constructing pipe lines from the Texas oil fields to the Atlantic seaboard for the movement of a given quantity of petroleum products.

General Reybold further testified that the canal would move dry cargo, including essential war materials, which, of course, could not be moved through pipe lines. It is apparent that this intracoastal canal, if completely in operation, would greatly relieve the already overburdened railroads and allow their facilities to be employed more completely in essential war transportation.

We would, therefore, like to have your opinion on the following question:

If the Congress should decide to provide additional transportation facilities for moving petroleum to the Atlantic seaboard, including the presently approved pipe lines, and if it is true that there is a greater economy in the use of critical materials in the construction of this waterway and the tugs and barges to be operated thereon than in the construction of additional pipe lines, or the provision of other facilities for the movement of such additional supplies of petroleum to the Atlantic seaboard, then, in view of the military value this waterway would have over and above the military value of such other methods of transportation in the movement of petroleum products and dry cargo, and in view of the permanent aid to the commerce of the Gulf and the Atlantic seaboard area from the existence of an intracoastal canal 12 feet deep from Corpus Christi, Tex., to Trenton, N. J., would you still say that you do not favor the amendment proposing this appropriation for this waterway?

Very sincerely yours,  
STYLES BRIDGES.  
BURNET R. MAYBANK.

WAR DEPARTMENT,  
OFFICE OF THE UNDER SECRETARY,  
Washington, D. C., April 28, 1943.

HON. STYLES BRIDGES,  
HON. BURNET R. MAYBANK,  
United States Senate,  
Washington, D. C.

GENTLEMEN: In your joint letter to me of April 26 you ask:

"If the Congress should decide to provide additional transportation facilities for moving petroleum to the Atlantic seaboard, including the presently approved pipe lines,

and if it is true that there is a greater economy in the use of critical materials in the construction of this waterway and the tugs and barges to be operated thereon than in the construction of additional pipe lines, or the provision of other facilities for the movement of such additional supplies of petroleum to the Atlantic seaboard, then in view of the military value this waterway would have over and above the military value of such other methods of transportation in the movement of petroleum products and dry cargo, and in view of the permanent aid to the commerce of the Gulf and the Atlantic seaboard area from the existence of an intracoastal canal 12 feet deep from Corpus Christi, Tex., to Trenton, N. J., would you still say that you do not favor the amendment proposing this appropriation for this waterway?"

The answer to the hypothetical question which you propound is obvious. Under the assumptions and conditions outlined in the above question, and further assuming that the waterway will have equal or greater capacity to other means of transportation, I should naturally favor the amendment proposing this appropriation, as opposed to a similar amendment for other means of transportation.

Sincerely,

ROBERT P. PATTERSON,  
Under Secretary of War.

Mr. MALONEY. Mr. President, it so happens that I live in New England, the most seriously distressed section of the country insofar as an oil shortage is concerned. It so happens that I am chairman of the Oil Shortage Committee of the Senate. I had not intended, after having taken so much of the Senate's time today, to discuss the matter, but the distinguished Senator from Florida [Mr. PEPPER] seemed to make the prediction that there will be a continuing oil shortage in New England next winter. I think he may be correct. I think it likely that there will be a continuing oil shortage in New England next winter. I am hopeful there will not be suffering. I am hopeful there will not be much distress. As of this moment, however, the situation does not appear to be too dark. We will be bringing into New England next winter, as I see the picture now, something in excess of 1,600,000 barrels of oil a day, which is in excess of any amount heretofore carried. There have been many conversions from oil to coal, which should bring some relief to the situation.

None of us can foresee the future, at least very far, but if our success in north Africa, and what follows north Africa, continues, there is a possibility or likelihood of greater relief from the standpoint of oil in that area, although the demand and the requirements of the Army and Navy, as has been pointed out, are extremely heavy. We cannot now foresee what the needs might be. They will probably be increased.

I am speaking now primarily because a great many persons in New England have been very much concerned about the Florida barge canal proposal. There has been an extensive advertising campaign which started in Florida and has been carried on in New England.

One of the able Senators from New England, the Senator from New Hampshire [Mr. BRIDGES], has been a recent

advocate of the barge canal, and his opinions on the subject have been quite widely discussed in New England, and there has been, on the part of a portion of our population, a strong demand that New England Senators support the long-time effort being made by the distinguished Senator from Florida [Mr. PEPPER] and others to build the Florida barge canal.

It seems to me singular, Mr. President, that all save one of the New England Senators on the Committee on Appropriations voted against the construction of this canal. So far as the committee is concerned, only one Senator from New England supported this proposal. All the others, among them myself, opposed it.

Probably the Florida ship canal or barge canal should have been built some time ago. That is a question. Probably the Florida barge canal or ship canal should be built some time in the future. That is a question. But the committee, after long and careful study, after having the benefit of all the views, persuasive as they are, of the able Senator from Florida, decided not to vote the money to build a canal at this particular time.

Because I live in New England, and because I happen to be chairman of the Oil Shortage Committee of the Senate, I am greatly concerned, and I asked members of the staff of the Oil Shortage Committee and members of the staff of the Truman committee loaned to us if they would endeavor to obtain the current facts insofar as the Florida canal is concerned. Late as it is, I feel that under the circumstances, Mr. President, I should submit these facts prepared for and presented to me by the persons to whom I have just referred.

The current barge canal proposal should be distinguished from the earlier proposed Florida ship canal project. The ship canal was envisaged as a sea-level canal deep enough for ocean freighters.

The canal which at present is urged by the Florida Canal Authority is a high-level barge canal having five locks. This canal would have a 12-foot depth—insufficient for oceangoing vessels. The highest point above sea level would fluctuate between 42 and 55 feet. This summit level of the canal would be 30 miles long. It would involve the excavation of about 81,000,000 yards, of which 17,000,000 or 18,000,000 yards are rock. Two locks would be on the Gulf side and three on the Atlantic side. Its controlling width would be 125 feet.

Mr. PEPPER. Mr. President, will the Senator yield to me? I do not wish to enter a controversy, but merely to discuss the facts.

Mr. MALONEY. I yield.

Mr. PEPPER. Did the able Senator from Connecticut say that 18,000,000 yards are rock?

Mr. MALONEY. I said seventeen or eighteen million yards are rock—r-o-c-k.

Mr. PEPPER. The reason why I rose and asked if the Senator would yield was to make the observation that the rock is not rock in the sense in which

that word is generally used, but is Ocala limestone. Mr. President, I am sure the Senator would not want to—

Mr. MALONEY. I have no disposition to dispute that observation.

Mr. PEPPER. General Markham, Chief of Army Engineers, has visited that area and has carefully examined the nature of the so-called rock, or Ocala limestone, even going to the extent of breaking it up in his hand with a hammer, in order to determine its hardness. I should like to make that statement at this time.

Mr. MALONEY. I have no disposition to dispute that statement; but I should like to say that although the Senator from Florida has so pointedly made reference to the situation which will exist in New England next winter, the hearings on the bill completely dissipate the suggestion that if the Florida Canal were built now it would afford any relief to the needs of New England next winter.

Insofar as the needs of New England are concerned, the Florida canal, if authorized under the bill, would have no effect whatsoever. In my opinion, Mr. President, based upon the statements of representatives of the Army, and other persons concerned, construction of the Florida canal under an authorization this year would not have any influence on the situation in New England during the winter of 1944-45.

Contention was earlier made that the canal could be constructed in a period of 10 months. The accuracy of that statement was rather completely dissipated during the hearings on the bill. The Army engineers say that under certain circumstances—circumstances generous to the proposal—the project might be completed within a period of 2 years. That would not even help those of us in New England the winter after next, Mr. President, and I should like to lay emphasis upon that point at this time.

When I was interrupted by the Senator from Florida I had referred to the question of rock excavation and after that I had said that two of the locks of the canal would be on the Gulf side, and three would be on the Atlantic side. The controlling width of the canal would be 125 feet.

Mr. President, serious conflict exists concerning the cost of the canal in dollars, in critical materials, and in labor. It should be borne in mind that the cost of the canal itself is minor in all those respects, as compared to the cost of the barges and tugs required to haul a significant amount of oil over the enormous distance involved. Advocates of the canal claim that the one-way haul will be 2,010 miles. The Petroleum Administrator for War states that the shortest safe route will be upward of 2,156 miles.

The cost of the canal is estimated by its advocates at \$44,000,000. General Reybold, Chief of the Army Engineers, recently estimated that if done under rush wartime conditions it would cost in the neighborhood of \$60,000,000.

Perhaps the most serious of the controversies hinges on the time required

for completion. General Reybold estimated last summer, in testifying before the Commerce Committee, that it would consume approximately 3 years. In recent testimony before a subcommittee of the House Appropriations Committee, General Reybold testified that he had had the project reviewed by a board of prominent engineers. They had determined that 2 years was the lowest practical estimate.

I should like to say here, Mr. President, that that would take us beyond the winter of 1944-45.

Arthur A. Johnson, a fairly prominent private contractor, testifying on behalf of the canal, stated that he would be willing to accept a penalty contract for the completion of the canal in 10 months. Mr. Johnson, however, qualified this statement with three very serious provisos: "Providing that we have no delay in the procurement of necessary materials; in other words, that the materials required for this operation be given suitable priority; providing we are not interfered with in procuring the necessary manpower; providing we have suitable priority in the initial transportation of the large volume of construction equipment required for the completion of the work." In my opinion, those conditions cannot reasonably be expected to exist. We are fighting a war. We have a severe shortage of manpower, a shortage of steel and a shortage of construction equipment. While the shortage of construction equipment may be easing somewhat, the others are growing more acute at this moment.

Mr. Johnson's suggestion that he would require a priority on transportation makes his proposal even less realistic. Priorities on freight transportation, except for direct military use of facilities, have not yet been instituted and, in my opinion, should not be instituted on account of the inevitable confusion incident to rationing. The railroads are doing an excellent job without it.

Mr. Johnson testifies in effect that he could construct the canal in 10 months under peacetime conditions. Even the highest priority programs are at present encountering delays in the procuring of necessary materials and manpower, and the highest priority programs are each of them very much more important than is this canal. It will suffice to name the programs now under directive: They are rubber, 100-octane gasoline, and anti-submarine vessels.

A most serious question is the usefulness of the canal even if it existed at the present moment. The canal will haul no oil by itself. Oil can be hauled through it only by barges, tugs, and men. The cost of the long barge haul in critical materials, manpower, steel, and other war essentials is such that it is wiser to build additional large pipe lines than to build barges and tugs for operation over this lengthy route even if the canal is assumed to exist.

Pre-war dollar cost reflects the normal economic situation. It also reflects to no inconsiderable degree the original investment in steel, horsepower, and construction cost, and the operating cost in

manpower, of any method of moving oil. Tank ship movement from Texas to New York was available just before the war at a price of 21 to 24 cents a barrel, which gave a profit to the tanker operator, exclusive of overhead, of somewhere in the neighborhood of 8 cents a barrel. The bare cost of moving oil over that route by tanker was in the neighborhood of from 15 to 25 cents a barrel, depending on its size and speed and depreciation of the tanker, and all out-of-pocket cost and overhead, but not including any return on investment. Rates, due to the law of supply and demand, have at times been much higher—even 60 cents.

The price of moving oil by pipe line from Texas to the eastern seaboard is, of course, not available. No such pipe lines existed before the war. However, the Government will make a sizeable profit on carrying oil in the Big Inch pipe line at the expected charge of 40 cents a barrel, the same as the wartime tanker rate. The tanker rate is higher now than in peacetime, due to sinkings. The cost of moving oil by barge through the proposed Intracoastal Waterway from the Houston-Port Arthur area to Trenton, N. J., would probably be between 75 cents and \$1 a barrel. The proposed O. P. A. ceiling rate, after conference with practical barge operators, is \$1.20 per barrel. The underlying reasons for those cost figures are inescapable. A Maritime Commission tanker will carry 130,000 barrels of oil at a speed in the neighborhood of 15 knots. A barge tow in the Gulf area will move 30,000 barrels, and in the Atlantic area, 20,000 barrels, at a speed of 4 knots. There are men on those vessels, and they have to be paid. The great number of man-hours required to move oil by barge should be apparent. Another significant cost factor operating against the barge as a peacetime venture for other than short hauls is the constant heavy expense of maintaining a channel by dredging. The ocean is free.

I stated a moment ago that the Government would make money on the movement of oil through the Big Inch at 40 cents a barrel. Movement of 300,000 barrels per day will provide a gross revenue of \$120,000 a day. Estimated out-of-pocket cost for operating the Big Inch would be in the neighborhood of \$40,000 a day, made up of salaries, maintenance cost, and power cost. At that rate the Government would recover its estimated investment of \$95,000,000 in 3 years, or, to look at it another way, would have an operating cost of about 13½ cents a barrel, and everything above that would be return of investment.

Amortizing the Government's investment may be treated in two ways: You may regard the pipe line as being purely a war facility and amortize it over the duration, in which event the Government would have no book investment in it at the end of the war. Or you may amortize it at the Interstate Commerce Commission rate for pipe lines, which envisages a life of 20 years. At the wartime 5-year amortization rate, the Government would have a depreciation cost of about 19 cents a barrel, thus bringing the

total operating cost and depreciation to 32 cents a barrel. In this event, however, at the end of the war the Government will have a very valuable asset in which it has no book investment.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. PEPPER. Did the able Senator make the statement that the construction of this canal could not possibly do any good for New England for the winter of 1944-45?

Mr. MALONEY. The Senator does not think he said that; but it is the Senator's opinion, based upon the expert advice of our engineers and Government experts, that the canal could not be completed under the present circumstances before or during the winter of 1944-45.

Mr. PEPPER. Will the Senator allow me to call his attention first to the following testimony appearing on page 76 of the record of the hearings before the Senate Appropriations Committee?

Senator BRIDGES. General Reybold, one other question: In consideration of your knowledge of Mr. Johnson's background and his past performances, and in view of the surveys you have made which show that this canal might be completed in as short a period as 18 months, would it be reasonable to expect that if things proceeded without too many obstacles it might be completed somewhere between the Johnson estimate and your estimate of 2 years?

General REYBOLD. That it might be completed?

Senator BRIDGES. Yes.

General REYBOLD. That is a possibility.

Senator BRIDGES. Is it a reasonable possibility?

General REYBOLD. That is a reasonable possibility. I can say this, that the Corps of Engineers, if given this job to do, will give it the works. There need be no fear about that.

The following statement is on page 82—

Mr. MALONEY. Before the Senator gets to page 82 let me point out that in making the inquiry the Senator from New Hampshire [Mr. BRIDGES] said to General Reybold:

if things proceeded without too many obstacles.

Mr. PEPPER. That is correct. I read from page 82 a further exchange of questions and answers between the Senator from New Hampshire and General Reybold. The Senator from New Hampshire is speaking:

We will admit that this coming winter we cannot get relief. As a result of the barge canal, I should think, judging from your own testimony here, however, that it might be entirely possible that the barge canal could be in operation to afford relief before the next winter.

Senator LODGE. 1945?

Senator BRIDGES. Yes; the winter of 1944-45.

General REYBOLD. That would be a very reasonable objective for us to drive at, Senator.

Mr. MALONEY. I call the Senator's attention to the words "drive at."

Mr. President, when properly interrupted I was discussing the cost to the Government. I continue along that line.

Amortizing the Government's investment over the 20-year period, the depreciation cost would be about 5 cents a barrel and the over-all cost of operating the pipe line would be about 18 cents a barrel. The pipe line should be a sound investment for the people of the United States in peace as well as in war.

Indeed, reliable information in my hands indicates that the actual cost of constructing the Big Inch will be substantially under the \$95,000,000 estimate.

Solely from a standpoint of wartime economics, the canal is equally uninviting. To move a barrel of oil from Texas to the eastern seaboard we must invest steel, manpower, and horsepower. If we invest in barges, the steel comparison with pipe lines will not be too unfavorable, although it will be unfavorable. For each ton of steel invested in barges, we will get .46 of a barrel of oil per day. If we invest in a pipe line, we will get about .84 of a barrel of oil per day. But it is in investing horsepower and manpower that the barge shows up as an incredibly inefficient long-haul vehicle.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. PEPPER. Has the able Senator examined the bases upon which those comparisons of economy in the use of critical materials were made? For example, is the Senator able to state whether the figures he is now giving us, and which were given to the Senate Appropriations Committee by Major Parton, contemplated the use of an 8,000-barrel barge instead of a 10,000-barrel barge?

Mr. MALONEY. Frankly, I do not know on which figure these comparisons are based.

Mr. PEPPER. It is obvious that if we contemplate using a barge which would move only 8,000 barrels of petroleum, we will have a greater use of steel than if we contemplate a barge moving 10,000 barrels. I think the able Senator will find that it is that kind of thing which represents the difference between the basis of our engineer's calculation that there would be greater economy in the use of the canal and the tugs and barges to be operated thereon in moving a given quantity of petroleum thereon, as compared with the use of a pipe line.

Mr. MALONEY. That is quite understandable. I am not disposed to contradict or quarrel with the Senator on that point. I asked for the best opinion that was available, and I feel in duty bound to submit the information of those who will examine the record, because I opposed the construction of the canal at this time and because some New England people have been led to believe that if we had voted for this appropriation oil would flow freely into New England during the coming winter, which the Senator himself knows is an impossibility so far as the canal is concerned.

I was speaking about the investment in the pipe line and the cost per barrel of oil per day, compared with the cost of the canal.

For each horsepower invested, we will get 0.67 of a barrel of oil from a barge

tow as contrasted with between 2.2 and 3.1 barrels from a big pipe line. Manpower at the moment is the most critical shortage of all. Long-haul barge transportation shows up worst of all in manpower. For each man-day invested in the operation of the pipe line, we will get about 350 barrels of oil—800 men yielding 300,000 barrels per day. For each man-day invested in the operation of barge tows, we will get 50 barrels of oil or less. A 50-day turn-around between Trenton and Texas is about right. The crew of a tow is between 10 and 14 men. A tow can handle 20,000 barrels on the Atlantic side and 30,000 barrels on the Gulf side, or an average of 25,000 barrels. Fifty days multiplied by 10 or 14 men gives 500 or 700 man-days.

Mr. PEPPER. Mr. President, will the Senator yield at that point?

Mr. MALONEY. I yield.

Mr. PEPPER. Does the Senator know whether the estimate of 50 days for turn-around time for barge movement for the round trip in 10 days in excess of the Chief of Engineers' estimate of 40 days?

Mr. MALONEY. I do not remember what the Chief of Engineers' estimate was, but the Army engineers have been asked to verify these figures, and I find no instance of a contradiction. I cannot further substantiate the figures than that, as I have previously explained.

Getting back to the question of manpower, this leaves out of account the time of lock tenders and office help involved in the operation of the barge canal and barge tow system.

In justice to the people of the Atlantic seaboard, the most efficient method of employing steel, manpower, and horsepower to transport the oil they need should be adopted. The big pipe lines are far and away the most efficient war-time method. Long-haul barge transportation is incredibly inefficient. Therefore, I must strongly urge, in the interests of warm homes next winter in Connecticut and New England, that this wasteful project be prevented, at least at this time.

The foregoing appraisal has assumed that the canal itself was in existence and that it was only necessary to build barges and tugs to operate through it. The facts, of course, are otherwise. Analyzing the canal on the basis of General Reybold's 2-year estimate, the canal has little or no value from the standpoint of the east coast oil shortage. Two years from now, May 1945, its completion could be expected and the canal will, therefore, be of no importance until the third winter (1945-46). By that time it is not unlikely that the war in the Mediterranean will be concluded and that this artery will be open to the commerce of the United Nations. When we control the Mediterranean, the offshore demand of the Army and Navy from the eastern seaboard area should in some measure decline. They can obtain some oil from sources in Iran and Iraq. By 3 years from now the Navy will probably have reduced the submarine menace to a degree that it will again be possible to operate tankers along the Atlantic seaboard. If the canal project offers no relief until the winter of 1945-46 it

should be dropped from consideration. A large diameter pipe line can be constructed in about 6 to 8 months.

Assuming, however, that the claims of the promoters of the canal are true and that the canal under existing wartime conditions can be completed in 10 months—and I do not believe it can be done without serious interference with more important war programs—it would still afford no relief until the winter of 1944-45. If started June 1 of this year, it would not be completed on the 10-month estimate, until April 1 of next year, when the heating-oil problem for next winter would be nearly over.

By the admission of the canal's supporters, it will consume about 15,000 tons of critical materials, and this provides nothing for barges. This is insignificant as compared to the steel requirements of a pipe line, but it should be realized that a pipe line is a combined railroad track and tank car and locomotive, while a canal, to continue the metaphor, is only a small segment of a railroad track. The cars of the canal, namely, the barges, would consume a prodigious amount of steel and the locomotives—tugs—a prodigious amount of Diesel horsepower.

The Petroleum Administration for War stated that to move 125,000 barrels per day of residual fuel oil from Texas to Trenton would require 125,000 tons of steel, 312,000 horsepower, 520 power units, the whole at a cost of \$186,000,000, exclusive of the cost of the canal, and an operating personnel of 5,200 would be required.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. PEPPER. Does the able Senator from Connecticut recall the testimony of General Reybold before the Senate Appropriations Committee that the engineers had constructed a concrete barge which was already on an experimental run, and that while it had not yet been completely proved, the engineers were encouraged as to its probable success?

Mr. MALONEY. I was not present when that testimony was submitted. I will say, by way of protecting myself, that I was presiding over a meeting of the Committee on Banking and Currency. However, that would not change my opinion, because I seem to recall that people have been experimenting with concrete barges almost since I was a little boy, and they have not up to now been proving very successful.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. LODGE. I think the Senator from Florida will agree that the record shows that the concrete barge to which he has referred was entirely in the experimental stage and that there was nothing about it on which any solid or far-reaching plans could be based.

Mr. PEPPER. So that if a concrete barge were to prove satisfactory, then, of course, the quantity of steel required in the construction of barges would be enormously reduced.

Mr. MALONEY. The quantity required would be considerably less, to say the least.

Supporters of the canal have challenged these cost figures by asserting, for example, that 600-horsepower Diesel tugs could be constructed for as little as \$90,000. The credibility of the canal supporters may be realized from the fact that the lowest bid received by the Office of Defense Transportation for the construction of such a tug was substantially in excess of \$200,000. Adding the cost of the canal to these figures would bring the investment to \$5 per annual barrel, as against approximately \$1 per annual barrel by the pipe line.

Much has been made by canal advocates of the fact that railroads are now receiving approximately \$250,000,000 per year for moving about 800,000 barrels of oil per day. This cost is compared unfavorably with the cost of the canal. Tables have been placed in the record indicating the comparative cost of the canal and the railroad subsidy to each State. Three facts should be noted in connection with this comparison: (1) Most railroads are now in the excess-profits category and hence are returning a large percentage of this money to the Government in the form of taxes. (2) The railroads exist and require little new critical material. (3) The cost comparison projected by the advocates of the canal leaves out of account everything but the cost of the canal. They argue that since the remainder of the costs would be financed privately that this omission is sound. This is entirely misleading. The cost of moving oil through the canal, that is, the cost of the barge movement, both capital investment and operating cost, would ultimately be borne under this private financing plan by the eastern consumer.

The President has felt, and I think correctly, that since the added transportation cost of oil for eastern consumers was due to the war, part of the cost should be borne by the Federal Government and hence the people of the whole country. The tankers constructed by the oil companies with the dollars of eastern consumers have been taken for more important war work. In simple justice it is bad enough that the eastern consumer be colder without at the same time being poorer.

If, however, Congress desires the eastern seaboard to absorb the added transportation cost due to the war, it can be done quite simply. The price of petroleum products can be increased in the East, and the railroad subsidy discontinued. The barge canal offers no escape from this dilemma. Either an increase in the price of petroleum products on the eastern seaboard or a subsidy to the barge operator would be essential if the persons financing the barges and tugs were to recover their investment.

Mr. PEPPER. Mr. President, will the Senator yield at that point?

Mr. MALONEY. I yield.

Mr. PEPPER. Is the Senator aware of the fact that if the money which is now being spent to make up the difference in the current movement of petroleum products by rail and by water were to be used in the construction of the water-method transportation—that

is, by tugs, barges, and canal—the Nation would have as an asset for its money the tugs, barges, and canal, and that those items would constantly be representing an amortization of the new facilities by the lower cost in moving petroleum by the canal than in moving the petroleum by the railroad?

Mr. MALONEY. Mr. President, the Senator realizes that if it shall be determined that we must have this much oil, and that we must sacrifice the steel, horsepower, manpower, and everything else, the cheapest thing to do would be to build a new pipe line. It could be finished more economically and carry oil more economically, and could be completed much more quickly than could a canal. The question is, Can we afford the materials at this particular time in competition with the great needs of the armed forces?

Mr. PEPPER. Mr. President, will the Senator allow me a further comment?

Mr. MALONEY. I yield.

Mr. PEPPER. In the first place, the record distinctly shows that we completely and unequivocally contradict the data with which the able Senator has been supplied, and we can prove, we think, to any impartial body, that the use of steel in the building of the canal, the building of the tugs, and the barges to be operated thereon, would result in greater economy in the use of critical materials than would be the case in the movement of the same quantity of petroleum by pipe line.

Mr. MALONEY. I do not believe the record will bear out the Senator's statement.

Mr. PEPPER. The Petroleum Administrator for War does not say that, but the engineer of the Florida Ship Canal Authority has taken the figures of the Petroleum Administrator for War point by point and has shown the error of those figures, so the record will show both sides of this controversy concerning economy.

Mr. MALONEY. While I do not maintain that the expert for the Florida Canal Authority would be biased, I believe it is less likely that the representative of the Federal Government would be biased.

Mr. PEPPER. Is it possible that the able Senator from Connecticut cannot imagine that Mr. Harold Ickes would be an opinionated person?

Mr. MALONEY. I like Mr. Ickes.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. OVERTON. While the two Senators are discussing the question of water transportation of oil, I should like to call the attention of the Senator from Connecticut, who is from New England, as well as other Senators on the floor from New England, to the fact that there is an avenue of transportation of oil by water now existing, that it is not being utilized to anywhere near its full capacity, but only probably to about one-eighth of its capacity, or one-seventh, or some such figure, by reason of the fact that there are not sufficient towboats and tugboats. The water-borne transportation to which I am referring is on the Mississippi River, and up the Ohio

into Pittsburgh. All the oil which comes out of the Texas and Louisiana fields, through the intercoastal canal, must cross the Mississippi River at New Orleans, by the intercoastal canal, and then continue through New Orleans on to Mobile, and on to Florida. The barges which would be employed in that operation are much less—about one-third of the capacity of the barges which can be used on the Mississippi and the Ohio.

It will take me only about 3 minutes, if I may read in support of what I am saying, the testimony of General Reybold.

Mr. MALONEY. I am perfectly willing that the Senator take that much time if he will bear part of the burden of apology which is due to the press, the Official Reporters, and other employees of the Senate, who have been compelled to sit here so long due to this controversy.

Mr. OVERTON. My purpose is to call the attention of New England to this additional method of obtaining oil, so that they might explore and undertake to develop it. What I wish to read will be found on page 115 of the hearings before the Senate Committee on Appropriations. I read:

Senator OVERTON. Mr. Chairman, I would like to ask General Reybold some questions in connection with the Florida barge canal.

General, oil and oil products are now being transported by barge from the Gulf in the intracoastal canal and up the Mississippi, and up the Ohio, into the Pittsburgh region. Is that not correct?

General REYBOLD. That is correct, sir.

Senator OVERTON. Do you happen to recall at the instant about how many barrels a day are being so transported?

General REYBOLD. At the present time approximately 130,000 barrels per day are reaching Pittsburgh from sources mentioned.

Senator OVERTON. After the oil gets into the Pittsburgh area, then it has to be carried by rail or by pipe line for distribution in the eastern area?

General REYBOLD. That is correct, sir.

Senator OVERTON. So I suppose there is no limit as to what can be conveyed by barges up the Mississippi and the Ohio; but there is a bottleneck, I presume, in the Pittsburgh area, by reason of the fact that there are not sufficient pipe lines or the pipe lines are not of sufficient capacity, or the railroads are not able to transport it. Is there some bottleneck there?

General REYBOLD. Yes, sir.

We are limited on the Ohio River, of course, to the maximum number of lockages that could take place in any period of time, say, 24 hours.

#### CAPACITY OF OHIO RIVER FOR DAILY OIL SHIPMENTS

Senator OVERTON. Well, what quantity of oil could be carried to Pittsburgh by these river routes per day?

General REYBOLD. It would be the practical capacity of lock 41 on the Ohio River. This lock can accommodate a daily movement of 650,000 barrels of petroleum products, having in mind the needs of other essential commodities.

Senator OVERTON. The maximum capacity is not being presently used, is it?

General REYBOLD. No, sir.

Senator OVERTON. Why is that; because they do not have sufficient barges or sufficient towboats?

General REYBOLD. It may be.

Senator OVERTON. Or tugboats?

General REYBOLD. It may be, and it may also be that so much oil is not needed in the Pittsburgh area.

Senator OVERTON. But the point is when it gets into the Pittsburgh area then it is a comparatively short haul from the Pittsburgh area to the eastern area?

General REYBOLD. Yes, sir.

Now, we do know, on the Mississippi River, that one towboat can push up at one time 80,000 barrels of oil, whereas a tugboat on the Intracoastal Waterway hauls only 3 barges of 10,000 barrels, or 30,000 barrels.

Senator OVERTON. All of the oil that comes from the Texas fields through the intracoastal canal crosses the Mississippi River at New Orleans in order to reenter the canal and the Florida intracoastal canal.

General REYBOLD. That is correct, sir.

Senator OVERTON. It crosses at New Orleans.

General REYBOLD. Then, there is a great deal of oil that moves over the intercoastal waterway, west of New Orleans, which in turn goes up the Mississippi River.

Senator OVERTON. Yes, sir.

I thank the Senator for yielding.

Mr. MALONEY. The Senator is very welcome. I was saying that in either event the Government or the eastern consumers would have to pay the highest cost of rail or barge movement. The cost of either is high—at least twice and probably three times or more that of movement by pipe line.

From the standpoint of ordinary thrift, construction of as many additional pipe lines as necessary is essential if it is anticipated that the war will last long enough to amortize any new facility constructed for the carrying of oil. It would be very pleasing to me if a third pipe-line project were undertaken at this time, assuming that it is possible to spare the steel and other equipment; and the Army and Navy forces would be quite persuasive with me in that respect.

Probably the barge rate established by the Office of Price Administration would be close to the rail rate. Mere dollar cost of movement by rail—about \$1.50 per barrel—as against movement by barge—about \$1.20 per barrel—cannot be allowed to control. Much of the cost of rail transportation consists of depreciation charges for equipment, franchises, and track already in existence. Such an accounting transaction constitutes no drain on our productive facilities. Every cent of the cost of the barges, the tugs, and the canal would be a direct drain on our strained construction manpower, construction equipment, steel production, and engine production. Barge transportation will cost almost twice the steel, four times the horsepower, and seven times the manpower of big pipe-line movement.

The minute the war is over, or even the minute the Navy regains substantial control of our eastern sea frontier and freedom from the submarine menace, the canal is a "dead horse." Ocean vessels are by far the cheapest of all known methods for long-haul movement of large quantities of goods. For one thing, there is no right-of-way to maintain; for another, the manpower involved is negligible. A fast tanker can make a round trip in about 10 to 12 days between Texas and New York. A crew of 48 would be large. Four hundred and

eighty man-days would, therefore, move 130,000 barrels of oil from Texas to New York, or approximately 270 barrels per tanker man-day. Ten men operating a 25,000—20,000 Atlantic side, 30,000 Gulf side—barrel barge convoy having a turn-around of 50 days would require 500 man-days to move 25,000 barrels of oil the same distance, or approximately 50 barrels of oil per man-day. The pipe line comparison is equally striking—800 men will be required to operate the Big Inch, which will deliver 300,000 barrels per day, or over 350 barrels per man-day. The comparison with ocean vessels is equally true whether the cargo be oil or any other substance, such as sulfur or lead.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. PEPPER. Even upon the Senator's hypothesis that the German submarine menace would be over a year or 2 years or 2½ or 3 years from now, and that ocean-going vessels would be available—

Mr. MALONEY. I made no prediction about the submarine menace.

Mr. PEPPER. I thought the able Senator stated a short time ago that probably by the winter of 1944-45 the submarine menace would be overcome so that we could use ocean-going vessels to move products from the Gulf to the Atlantic coast.

Mr. MALONEY. I expressed the hope.

Mr. PEPPER. The Senator expressed the hope, and he was making the point that probably we would be in a position to use our ocean-going vessels to move products from the Gulf region to the Atlantic seaboard. If that were possible, would it not be better to use barges in such movement and save the ocean-going vessels, both tankers and cargo-bearing vessels, so as to use them in moving supplies to our forces across the seas, in which service barges could not possibly be used?

Mr. MALONEY. I shall let the Senator answer that himself. I wish I could make some prediction about when the war will end. I wonder if the Senator from Florida has some idea about when it will be over.

Mr. PEPPER. I have some idea, although it is not worth more than the idea of any other citizen. I would not be willing to gamble on the war being over by the winter of 1944-45, or, for that matter, by the winter of 1945-46. But if I had an opportunity to provide a better method of transportation, which I knew would serve the needs of the Atlantic seaboard, by the winter of 1944-45, or even the early part of 1945, I would not be sure that that would not be possible before the end of the war.

Mr. MALONEY. I am pleased to associate myself with that observation of the Senator. The difference between us is that I am greatly concerned about the suggestion that we interfere with convoy vessel construction and the means of propelling Government vessels of war. I do not want to risk interfering with those activities only because there is a possibility we might get some value from the canal in 1945 or 1946.

Mr. PEPPER. If the Senator will allow me, I will say that I made inquiry of Colonel Textor in the War Production Board, and Colonel Textor stated that the building of the tugs and the using of the Diesel motors to go into the tugs would not interfere with the Navy escort vessel program, nor would the use of steel that would go into these tugs or barges interfere with the octane gas program or with the rubber program.

Mr. MALONEY. I dispute that contention, and I shall make some reference to it in a moment.

I was referring to the comparison between the contributions made by the pipe line and barges. I should like to say to the few remaining Senators that I shall be through in less than 10 minutes—I hope in 5 minutes.

The estimate I have just made that the barge turn around between Port Arthur and Trenton would be 50 days has been challenged by the advocates of the canal. Assuming, however, that the barges can make an average of 100 miles in 24 hours—they can make slightly less loaded and slightly more unloaded—the round trip of 4,200 miles would consume 42 days, plus 1 day at each end for loading or unloading, as the case may be. The canal advocates have estimated as low as 40 days for a complete round trip. That was what the Senator from Florida pointed to earlier in our discussion.

Practical barge operators, however, always figure in calculating their costs on what they term an "inefficiency factor" of about 20 percent. A barge tow is an extremely unwieldy device. A three-barge tow will stretch out for 700 or 800 feet. The barges used on the Intracoastal Waterway are without steering apparatus. When such a tow passes under the numerous bridges across the Intracoastal Waterway with a cross-wind or current tending to blow the barges against the piers, it is a feat of seamanship of the highest order to prevent the last barge in the tow from hitting the underpinning of the bridge. A barge tow recently hit a railroad bridge near Apalachicola and moved the bridge itself a distance of 7 feet.

This sort of thing is a frequent happening. So much so that insurance companies are insisting that a tug be stationed at this particular bridge to assist in nudging the barges through the opening. The tows are frequently halted by fog and at times great congestions of tows occur when a collision happens and a barge blocks the channel. The waterway has numerous obstructions besides bridges—such as sharp bends, islands, and snags. Taking the inefficiency factor into account by adding 20 percent to the turn-around time will give you over 50 days.

There is at present a severe shortage of masters, pilots, and mates for intracoastal tugboats. To obtain a Federal license to serve in any of these capacities will require an apprenticeship of about 3 years—and this period is hardly excessive. To move, let us say, 300,000 barrels a day—the same as the Big Inch—over the barge route would require between 6,000 and 8,000 men, half of them with this scarce skill.

Before concluding, I wish to refer to the interference that a large tugboat program would cause with the desperately needed Navy program for the rapid construction of submarine chasers and escort vessels. While these engines are considerably smaller than those used on the escort vessel, they are of a size directly competitive with the needs of the smaller subchasers. Even if this were not so, Diesel engine-building capacity may easily be converted from one size to another and the few men skilled in this trade can do either type of work. Recently the Navy had a large number of hulls of these vessels lying idle for lack of engines. I do not want to help rob the Navy.

Mr. President, I should like to make one more observation and I am through. During the course of the hearings on the War Department civil functions bill and on this canal, I asked the representative of the Petroleum Administration for War what was the potential flow of oil a day through the Big Inch line. Senators will recall that we planned a 300,000-barrel-a-day production into the eastern area through the canal. The answer to my question was that the flow through the Big Inch pipe line, under an accelerated program made possible by additional power and pumping equipment, could be an additional 150,000 barrels a day. That means, Mr. President, an excess of 150,000 barrels a day over the estimate heretofore made. It would require a considerable additional equipment. But it could be done, and the representative of the Petroleum Administration for War says that he would prefer, and that the Administration would prefer, to speed up or accelerate the production of that pipe line rather than to undertake the construction of the barge canal at this particular time.

Mr. PEPPER. Mr. President, will the Senator yield at that point for a question?

Mr. MALONEY. Of course.

Mr. PEPPER. Does the Senator not recall that while the representative of the Petroleum Administration for War did state that the 24-inch pipe line could be stepped up by additional power, so as to carry 150,000 barrels a day capacity more than its normal, yet to do so would require the addition of a number of pumps and the employment of additional steel, which would make the use of critical materials to do that as great as would be required to move the same quantity of petroleum by tugs and barges.

Mr. MALONEY. For the purpose of the RECORD I am willing to agree. I think there was a little difference in favor of the pipe line insofar as materials and power equipment are concerned, but I should like to point out that 150,000 barrels a day would come out of that pipe line every day, at a much lower cost than would be possible under the barge-canal program.

Mr. President, I thank the Senate very much. I do not apologize, because I think it is most important, after the persuasive and very eloquent statement of the Senator from Florida, that I should, for the benefit of my own constituents

and the people of New England, and those who will later consider this subject, present these facts for the RECORD.

Mr. LODGE. Mr. President, before the Senate recesses I should like to make a very brief statement on my own behalf. I, too, live in New England, and I have intimate acquaintance with the hardships which the people there have undergone in the past winter, because of the shortage of petroleum. I am also conscious of the threat to the national security which is implicit in the possibility that our oil-consuming war industries will not have sufficient fuel. In fact, I am so impressed with the seriousness of the situation that I long ago made up my mind that I would support any reasonable scheme that would tend to relieve it, and would oppose any plan, no matter how meritorious it might be in any other way, which I thought would tend to discourage the relief of that situation.

Mr. President, I have very reluctantly come to the conclusion that the Florida barge canal is in that category. I say this with great respect for the way in which the Senator from Florida has battled for this cause. He has certainly left no stone unturned, and he has been thorough, he has been eloquent, and he has fought hard and valiantly for this project. When it was first presented I was quite attracted to it. It was presented on the basis that it would be completed in 10 months, and in 10 months' time we would begin to receive the benefits of it in New England; in fact, the hearings were conducted on that basis. Then at the last minute the proponents of the amendment exercised the right which was undoubtedly theirs to modify their own amendment.

Any pretense that it could be done in 10 months was removed, and in my judgment the whole argument of doing this thing from the standpoint of relieving the fuel famine in New England disappeared. So for this reason I was one of the Senators from New England on the Appropriations Committee who opposed this proposal. I am one who subscribed to what the Senator from Connecticut has so ably said.

The hour is so late that I shall not burden the RECORD with further observations of my own. I feel that if we can spare the manpower, if we can spare the power equipment, if we can spare the metals to build a canal of this kind, we will do a great deal better to put it all into a third pipe line. I believe that this proposal would not only be of no benefit to us for two winters at the very least, but that insofar as it would compete with pipe lines it would be a detriment to us.

Mr. President, if any other Senator present desires to make any further remarks, I shall yield. Otherwise, I intend to move that the Senate proceed to consider executive business.

Mr. PEPPER. Mr. President, will the able Senator permit me to say that I am very grateful for the very generous remarks he has just made. I have supported the project since I have been in the Senate, and I shall continue to support it, because I believe it to be in the national interest, and I believe it to be

in the aid of the furtherance of the war effort. I am sorry I do not agree with my distinguished friends, the other Senators who have spoken this afternoon, in the preference of a proposed or possible pipe line, rather than the Florida Canal project.

Mr. President, I rose to request unanimous consent to have printed in the RECORD immediately following my remarks the testimony of the engineer for the Florida Canal Authority, Mr. Henry H. Buckman, giving his figures, and the reasons for the figures, and giving the criticism of the figures made by the able senior Senator from Connecticut, to show that in the use of critical materials to enable the movement of a given quantity of petroleum by the barge canal, and with the use of the tugs and barges which would operate on it, there would be greater economy than there would be in moving the same quantity of petroleum by pipe line.

Mr. MALONEY. Mr. President, reserving the right to object, but with no intention of doing so, and only for the purpose of getting an additional line in the RECORD, I desire to suggest at this point that the figures, estimates, and views of the representatives of the Federal Government will be found in the hearings on the bill.

Mr. LODGE. Mr. President, I do not intend to object, but I am sure the Senator from Florida will not object if I follow his request with a request of my own to have printed at this point in the RECORD certain excerpts from the hearings.

Mr. PEPPER. Certainly not.

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Is there objection to the request of the Senator from Florida?

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL, 1944

UNITED STATES SENATE,  
SUBCOMMITTEE OF THE  
COMMITTEE ON APPROPRIATIONS,  
WASHINGTON, D. C.,  
Wednesday, April 28, 1943.

The subcommittee met, pursuant to adjournment, at 10:30 a. m., in the committee room, Capitol, Hon. ELMER THOMAS of Oklahoma (chairman of the subcommittee) presiding.

Present: Senators THOMAS of Oklahoma, CHAVEZ, MAYBANK, CARAWAY, and BRIDGES.

Also present: Senator PEPPER.

Senator THOMAS. The committee will be in order.

CORPS OF ENGINEERS  
Florida Barge Canal

Further Statement of Henry H. Buckman, Engineering Counsel for the Ship Canal Authority of the State of Florida

Mr. BUCKMAN. \* \* \*

Expense of barges and tugs to be repaid by private enterprise

I should like to point out to the committee first of all that the cost of barges and tugs for this canal is not a Federal expense. It cannot be regarded in the same category as the cost of constructing the canal—the \$44,000,000 which is here under consideration.

Senator CHAVEZ. Who is going to meet the expenses?

Mr. BUCKMAN. Private enterprise, constructively, is now making expenditures, Senator. There are now several hundred barges being built by the Defense Plant Corporation, and they are reconstructing for oil traffic several hundred steel dry-cargo barges, and those barges are being leased to private enterprise, and paid for on a basis which contemplates the return to the Federal Treasury of every dollar of that money.

Now, the Defense Plant Corporation advises me that they are prepared to expand that program on that basis, as far as it may appear to be in the public interest, and in accordance with sound practices.

There can be no question that the hauling of petroleum over this canal at the present time is a business which pays well and enables these operators to pay fair, substantial lease payments on these barges.

Senator BRIDGES. Whom are these leased to; the oil companies or to transportation companies, as a whole?

Mr. BUCKMAN. I know only of those which are leased to transportation companies. There may be cases where they are leased to oil companies, but I have no information on that.

But, they are leased to the men who are in the towing business, in the transportation business, and they are all eager to get all they can. There is room for a great many more.

But I think it is well that it be clearly understood that we do not contemplate going into the Federal Treasury, as a permanent expense item, for the barges and tugs which would operate upon this canal any more than we do for railroad cars or locomotives which operate upon a track.

Senator CHAVEZ. You say it is not a permanent policy, but nevertheless the Federal Government does have to advance the money to construct them originally?

Mr. BUCKMAN. It would probably have to advance much of the money, just as any other loan; that is correct.

Senator CHAVEZ. So in a sense there would be an expenditure by the Federal Government, which it contemplates getting back?

Mr. BUCKMAN. Yes. I used the word "expense" in the technical sense, as something which goes out without any return. I prefer to call it a financing operation by the Government with the expectation of return to the Treasury.

But however you regard those details of definitions, over all it is true that such costs stand in a different category.

Senator CHAVEZ. Mr. Buckman, there was testimony with reference to 5,000 barges that would have to be built to operate in this service.

Mr. BUCKMAN. If you will permit, I will come to that in some detail in a few moments.

Senator CHAVEZ. Pardon me.

Mr. BUCKMAN. Because I wish to go into that.

The second point I wish to make with regard to this particular testimony to which I have referred is this, that those figures which he used were the estimates which would be required to carry the entire 1,600,000 barrels a day and were not the figures which would be used if you were computing the program suggested by the Chief of Engineers, namely, 250,000 barrels a day. In other words, they are some seven times greater than anything that is here contemplated.

I think it is well to make that point clear. Barges, tugs, horsepower and tons of critical material required to transport 100,000 barrels per day through Florida Canal.

Now I should like also, before going into the general picture, to deal point for point with certain testimony introduced by the Petroleum Administration for War, purport-

ing to show that ton for ton of steel and horsepower for horsepower, the pipe line is more efficient in the use of material and power than is the barge method of petroleum transport.

Now, as a matter of fact, the reverse is true, as will be seen from the computations which I hope to give you in a moment.

Parenthetically, and very respectfully, I should like to say that before it has completed its findings, I suggest to the committee that this appropriation be made by Congress and that the technical questions having to do with the relative efficiency in the employment of material and manpower, and the decision as to whether this or that facility takes more or less, be left to the technical agency of the Government designated for such matters; that is, the War Production Board. Thus Congress will have implemented its policy expressed in the authorization act and will have completely fulfilled its legislative functions and sent the case to the administrative branch for action under existing authority.

Senator CHAVEZ. Let me get myself clear on that, Mr. Buckman. Your idea is that the congressional function will go only so far as appropriating the moneys?

Mr. BUCKMAN. Yes, sir. In other words, pursuing the usual course which Congress has followed; that is, to appropriate to the War Department \$44,000,000 for this work. Congress has created or delegated the authority for the creation of certain agencies which shall pass upon projects and enterprises during the war, all of those things which are undertaken by the several departments of the Government, as to which shall have priority, and which shall be deferred; which shall go first. In other words, if and when Congress appropriates this money it would be recognized, I think, by Congress and by everyone else, that when it came up to the War Production Board if they judged it not in the public interest to see this thing built at this time, it probably would be deferred, and that would be a technical judgment based upon these highly technical details which it may be that the committee and Congress would prefer not to pass judgment upon.

Senator CHAVEZ. Well, of course, you might be correct; but I personally believe that the committees of Congress should have technical information, and I have reached the conclusion that in many instances many of the departments feel just like you do, that all that Congress should do is appropriate; but I think it is the duty of Congress to find out. Of course, it might not have the technical training, but as a general rule they are intelligent and they can appreciate when a good man like you comes before them and gives them technical information on engineering matters.

Mr. BUCKMAN. Senator, I am more than delighted to have you take that point of view. It was only for fear that the committee might become impatient if I went too much into details and decimal points.

Senator CHAVEZ. I am very strong for the engineering profession.

Mr. BUCKMAN. That was the only reason I suggested it.

Senator CHAVEZ. It is one profession that I really respect.

Mr. BUCKMAN. That gives me courage to proceed with a somewhat detailed technical presentation, which I have prepared.

Senator CHAVEZ. I am not referring to you in any way whatsoever at all, but I know there are some departments that think that Congress should appropriate and after that they are nothing but a nuisance, and I do not want to be a party to that opinion at all.

Mr. BUCKMAN. Senator, our presence here today I think is eloquent proof of our position in that matter. We have come to Congress in the hope that the Congress might

listen to these technical details, and we are overjoyed at the opportunity of having the committee listen to them.

Senator CHAVEZ. Of course it is up to the chairman, but I know that I feel like getting technical information.

Mr. BUCKMAN. Well, that is very heartening, I assure you.

Barrel delivery daily per ton of steel employed on Intracoastal Canal route, Port Arthur, Tex., to Trenton, N. J.

I should like now, in view of the many erroneous factual statements that have been made, to place in the record the following factors.

The barrel delivery daily per ton of steel employed on the Intracoastal Canal route from Port Arthur, Tex., to Trenton, N. J., across this proposed canal in Florida would involve the following factors:

First, the route is from Port Arthur, Tex., to Trenton, N. J.

Second, the distance is 2,010 miles.

Third, the speed of these barges will be 4 miles per hour loaded, 6 miles per hour empty, and 5 miles per hour on the average.

The capacity of the fleet suggested by the Chief of Engineers is 250,000 barrels daily delivered in Trenton or in that area.

The components of that fleet are 1,000 10,000-barrel barges and 334 tugs.

The towing string will consist of three barges behind one tug.

The steel requirements—

Senator CHAVEZ. That would be 30,000 barrels?

Mr. BUCKMAN. Thirty thousand barrels per tow; yes, sir.

The steel requirements are, in each barge, 225 tons; in each tug, 160 tons.

The total steel in the barges is 1,000 times 225, or 225,000 tons, and the total steel in the tugs is 334 times 160, or 53,440 tons, making total steel in the fleet of 278,440 tons.

Now, to get the number of barrels of petroleum delivered per day per ton of steel employed, we must divide the 250,000 barrels daily by the 278,440 tons of steel, and the answer is 0.89.

In a moment I will compare that with the pipe lines, and with the figures given by the Petroleum Administration for War for the barges.

Senator CHAVEZ. The comparison is going to be in the carriage of the product the same distances, either by canal, or by the pipe lines?

Mr. BUCKMAN. In other words, the endeavor is, Senator, to place these two facilities upon a comparable basis and then see how the figures fall out.

#### Comparison with 24-inch pipe line

Now, here are figures relating to the 24-inch pipe line. They are obtained from the War Production Board.

The location of the trunk line is from Longview, Tex., to Norris City, Ill., and thence via Phoenixville, Pa., to Bayonne, N. J., and the vicinity of Philadelphia. In other words, it branches or forks at Phoenixville, Pa., and one branch goes to Bayonne, N. J., and the other to the vicinity of Philadelphia.

The length of the trunk line, including the two forks at the east end is 1,385 miles, namely, to Norris City 550 miles, and from Norris City to Phoenixville 722 miles, and from Phoenixville the two forks comprise 113 miles, making a total of 1,385 miles.

Now, the actual steel allocated for that line, in the trunk line, and the accessories, the pumps, and so forth, was 368,000 tons; feeder lines at the western end 30,000 tons; storage tanks 10,000 tons, making a total of steel involved for the 24-inch line from Texas to the coast of 408,000 tons.

The capacity assumed by the Petroleum Administration for War was 300,000 barrels daily. We question that capacity. It is higher, we feel, than practical operating con-

ditions will permit. I merely insert that for the record.

But, we will use for the purposes of these computations, the assumed capacity of the Petroleum Administration for War, namely, 300,000 barrels daily on that line.

Now, if we divide the 300,000 barrels daily by the amount of steel, 408,000 tons, we arrive at a daily barrel capacity per ton of steel of 0.73.

Senator CHAVEZ. What was the other?

Capacity per ton of steel in barges and tugs compared with per ton of steel capacity of 24-inch pipe line

Mr. BUCKMAN. Eighty-nine one-hundredths. In other words, when you take the cold figures of the amount of steel in the barges and tugs and the amount of steel in the pipe line, you will find that the barges and tugs per ton of steel will transport 0.89 barrel of petroleum, per ton of steel, whereas the 24-inch pipe line will transport 0.73, or a substantially lower amount.

That is not all there is to the story. I am coming back to that in a minute.

#### Comparison with 20-inch pipe line

There is an additional factor which raises a very considerable margin in favor of the tugs and barges, but I will first go to the factors on the 20-inch pipe line.

The location of that line is from east Texas to Seymour, Ind., and thence to Trembly, N. J. There are 1,470 miles of trunk and 205 miles of feeders.

The steel in the trunk and accessories is 280,701 tons, and in the feeders and tanks 14,550, or a total of 295,251.

The assumed capacity is 235,000 barrels daily, and there again we feel that that figure is substantially high. For the record we make that statement, but we accept for the purpose of these computations the Petroleum Administration for War's assumed capacity of 235,000 barrels daily for the 20-inch line.

If that figure is divided by the tonnage, 295,251, the result is 0.79, as compared with 0.73 for the 24-inch line, and 0.89 for the barges and tugs.

Capacity per ton of steel of both pipe lines compared with capacity of barges and tugs per ton of steel

So that taking the average of the 20-inch line and the 24-inch line, which we should do, because we want all of the experience data we can get behind us, we have these two large pipe lines transporting oil from Texas to the Atlantic seaboard and to one point on the Atlantic seaboard, or two points, but not distributing it, and at best computed to deliver an average of 0.76 barrels of oil per ton of steel. Whereas the barges and tugs will not only deliver a larger amount—0.89 barrel—to the ton, but will distribute it for the full length of the Atlantic seaboard as far north as Trenton.

Now, I submit, instead of an efficiency of 0.84 per ton of steel for pipe lines, as stated by the Petroleum Administration for War as against 0.46 for barges, or 45 percent less than the pipe line, the true figures, without giving the barges the benefit of the distribution function, show the steel efficiency of the barge is 0.89 as against 0.76 for the pipe line; or that barging is 17 percent more efficient in steel than is the pipe line, without taking into consideration the distribution function of the barge line. This is only part of the picture. The pipe line with its 17 percent less steel efficiency delivers petroleum to a given point on the seaboard. To get a correct view of its relative efficiency there must be considered the steel in the facilities necessary to distribute up and down the Atlantic coast. If we are to utilize pipe lines for this, it will halve the already lower efficiency of the pipe lines. If tank cars are used, it will quarter it, or more. On the other hand the

lower amount of steel used in the barges and the tugs not only brings the petroleum to the East, but it will distribute it all along the coast from Miami to Trenton.

Tacitly, that was admitted by the representatives of the Petroleum Administration for War yesterday in testimony here when upon questioning they were asked how they would get this oil to New England from New Jersey, and they said that they were contemplating the building of another pipe line. In other words, the steel to get this oil distributed on the Atlantic coast line is far more than the steel simply going into the pipe lines from Texas to the coast. But the steel in the barges will distribute the oil all along the Atlantic coast as far north as New Jersey, and that is a factor which does not appear in the presentation made by the Petroleum Administration for War.

#### Transporting residual fuel oil in wooden barges

However, that still is not all of the story. In a communication to the House Subcommittee on Appropriations considering this matter, the Petroleum Administrator for War sets forth the practicability of transporting residual fuel oil in wooden barges and assumes that if the canal is open such practice will obtain. In my view it might very well obtain in the light of the scarcity of steel.

The Petroleum Administrator for War stated in that communication that there can be, needs to be, brought to the eastern seaboard from the Gulf and Texas areas 150,000 barrels daily of these residual fuel oils, which he says may be transported in wooden barges.

Initial program for transportation through canal of 250,000 barrels daily

Now, the Chief of Engineers has suggested as an initial practical program the creation of a fleet to carry 250,000 barrels daily all told.

If we assume that 150,000 barrels of that, or three-fifths of the fleet, will be in wooden barges, then we get an altogether different picture and one even more favorable to the barge as regards the consumption of steel.

For an initial program of 250,000 barrels delivered daily to the east coast as suggested by the Chief of Engineers, there is no necessity for comparing the steel efficiency of the pipe line with the steel efficiency of an all-steel barge fleet. The Petroleum Administration for War has pointed out the practicability of transporting residual fuel oil over the intracoastal route by using wooden barges to the extent of 150,000 barrels per day.

Fleet required to transport 250,000 barrels daily through canal

Now, to transport 150,000 barrels of residual oil daily from Port Arthur to Trenton, using the factors which I have already placed in the record, and 100,000 barrels of white products, or 250,000 barrels daily, all told, would require the following fleet, using the type of wooden barges now being built for the Defense Plant Corporation for this carriage, by the Chief of Engineers; but of 10,000-barrel capacity instead of 6,000 barrels. That would require 600 such 10,000-barrel wooden barges, having 45 tons of steel in each, or a total of 27,000 tons of steel.

Then, it would require four hundred 10,000-barrel all-steel barges for products, at 225 tons of steel each or 90,000 tons of steel.

There would be required the same number and kind of tugs, namely 334 at 160 tons each, which would be 53,440 tons of steel, making the total steel in this composite fleet to carry residuals and white products 170,440 tons.

That divided by 250,000 barrels per day gives 1.46 barrels of petroleum products transported daily by the barge canal, as against the .76 barrel to be transported by

the pipe line, or an efficiency factor of practically twice that of the pipe line, without taking into consideration the distribution function of the barge canal.

Steel efficiency of proposed fleet compared with steel efficiency of pipe lines and tank cars

I submit that it will be seen at a glance that the steel efficiency of such a fleet is nearly twice that of a pipe line and that a pipe line cannot carry residuals.

The only intelligent comparison would be with the only other available means; that is, the tank car, and here the barge shows a steel efficiency more than four times as great.

#### Greater efficiency of barge in horsepower and manpower

Nor can the horsepower efficiency, nor the manpower efficiency of such a fleet in such service be compared with the pipe line, because the pipe line cannot transport residuals and when compared with the tank car, the barge shows a far greater efficiency in horsepower and in manpower.

The figures submitted by the Petroleum Administration for War as to the relative efficiency of the pipe line and the barging, for the job in hand, are not only inaccurate in fact and not on a comparable basis—that is, they omit the necessary distribution facilities from the pipe line which exists in the barge—but they show, contrary to the fact, that the barge is less efficient in the employment of steel, horsepower, and manpower, than is the pipe line, whereas the reverse is true.

#### LONG HAUL EFFICIENCY OF INLAND BARGE

Nor should the statement that the barge is efficient on the short haul but not on the long haul be allowed to go unchallenged. Not only does the accumulated experience of many years refute this, but present-day practice is based upon the long-haul efficiency of the inland barge. Witness the millions of tons of petroleum now moving, and the plans of the Petroleum Administration for War to move more from the Texas fields up the Mississippi, more than 1,500 miles, and along the Intracoastal Canal to west Florida, more than 800 miles, and along the Atlantic Intracoastal Waterway from Jacksonville north for more than 1,000 miles. Those are integral parts of the program of the Petroleum Administration for War, yet the gentleman representing the Petroleum Administration for War has stated that barges are not efficient on long hauls.

Same time required for barges to go from Texas to Pittsburgh as from Texas to Trenton, N. J., via proposed canal

As a further example of the inconsistency of such testimony, I call to your attention the fact that the Chief of Engineers has stated that the number of days for a barge to go from Port Arthur, Tex., to Pittsburgh and return is 40, and the number of days for a barge to go from Port Arthur, Tex., to Trenton, N. J., via the Florida Canal and return is 40. The same barges, the same steel, the same tugs, that would take this oil only to Pittsburgh, the Chief of Engineers says, will take it all the way to the east coast at Trenton.

Yet the Petroleum Administration for War has organized a program of barges to Pittsburgh only, thence transferring to a pipe line, whereas the Chief of Engineers has suggested using the same barges and the same length of time and going all the way to Trenton—with the same amount of steel.

Table of comparative efficiencies in steel and horsepower of barge and pipe-line movements

At this point, Mr. Chairman, permission is requested to insert in the record a table showing the comparative efficiencies in steel

and horsepower of barge and pipe line movements. Manpower figures are not included, because the factor which must be added to the pipe-line operating manpower for distribution is indeterminate.

Senator THOMAS. Do you have the table which you desire to insert at this point?

Mr. BUCKMAN. Yes, sir; it is here.

Senator THOMAS. Without objection, it will be inserted at this point.

The table referred to follows:

*Summary of comparative efficiency barge versus pipe-line transport*

(Barrels delivered daily per ton of steel and per horsepower employed)

	Barge, including distribution	Pipe line, excluding distribution
Barrels delivered daily per ton of steel employed, all steel fleet.....	0.89	0.76
Using wooden barges for residuals, and steel barges for products, with all steel tugs.....	1.46	.76
Barrels delivered daily per prime horsepower installed.....	1.24	.99
Barrels delivered daily per utilized horsepower.....	2.40	.99

*Comparison from distribution factor of barges and pipe lines*

Mr. BUCKMAN. It is evident, I think, that the manpower for distribution from the pipe line up and down the Atlantic seaboard, via tank car and truck and so forth, is greater than the manpower required to operate the pipe line itself. It will much more than weigh down the balance in favor of the barge, the operating personnel of which also supplies the distribution function.

As a matter of fact, without adding a ton of steel or a man to the crew, these barges and tugs will not only distribute their own petroleum north-bound; but they will take the pipe-line petroleum and distribute it sound-bound, as well.

Senator CHAVEZ. Will you clear me on that particular point, as to the difference in distribution between the pipe line and the barges, as contemplated under the proposed legislation? Do I understand that the pipe line can deliver only to certain points?

Mr. BUCKMAN. It delivers only to its terminus.

Senator CHAVEZ. To its terminus?

Mr. BUCKMAN. Yes, sir.

Senator CHAVEZ. It can deliver in between?

Mr. BUCKMAN. Yes; it can, but it is not contemplated. I mean, there are no taps on these through pipe lines.

Senator CHAVEZ. That is what I wanted to know. Your contention is that the barges can stop anywhere and deliver?

Mr. BUCKMAN. That is what the Chief of Engineers has pointed out.

Steel and horsepower required for transportation of petroleum from Port Arthur, Tex., to Trenton, N. J., via proposed Florida canal

There were some figures introduced yesterday—very happily, I think, for all concerned—by one of the gentlemen representing the Petroleum Administration for War, because they now enable us to inspect the figures upon which the Petroleum Administration for War has apparently based its erroneous conclusions. We must take sharp issue with those figures, point for point. Those figures related to the steel and the horsepower required for the transportation of petroleum.

I have set these up in parallel columns with the figures of the Canal Authority—for which I shall give the supplementary authority as we go along—so that you may compare them, and I think you will then understand these widely divergent opinions and views as to the relative efficiencies of

these two facilities, and that you will be able to decide which are correct and which are in error.

(A discussion followed, off the record.)

Mr. BUCKMAN. Mr. Chairman, I have seen this sheet just handed to me, entitled "Break-Down of Figures Submitted by S. D. Archbold," and those are the figures to which I have just referred.

Senator THOMAS. Are the figures you have placed in the record the same as those used by Mr. Archbold?

Mr. BUCKMAN. No; the figures I have placed in the record are the figures of the Authority; and I now propose to discuss, if you please, the comparison in each case of the figures of the Authority the figures placed in the record by Mr. Archbold.

Senator THOMAS. Are they substantially the same?

Mr. BUCKMAN. They are widely different.

Senator THOMAS. Inasmuch as that statement was requested, I thought it might go in the record.

Mr. BUCKMAN. I should like it to go into the record.

Senator THOMAS. Without objection, it will go in the record at this point—being the statement of Mr. Archbold.

Mr. BUCKMAN. I should like to have it placed in the record, Mr. Chairman, so that it may be used for comparison.

Senator THOMAS. It will be placed in the record at this point.

(The statement referred to follows:)

*Break-down of figures submitted by S. D. Archbold*

Tugs, 600 horsepower, 225 tons each.

Barges, 8,000 barrels, 215 tons each.

On basis of 100,000 B/D, Port Arthur/Houston to Trenton via proposed canal (turn-around time, 47 days).

Mileage, 2,204 (loading and discharging time total, 3 days; A. V. run, 100 miles per day; 20 percent inefficiency included).

Would require 691 barges and 295 tugs for a total of 214,940 tons and require 177,000 horsepower.

On the basis of tug cost of \$200,000 each and a steel barge cost of \$55,000 each—

Barges..... \$38,000,000  
Tugs..... 59,000,000

Total..... 97,000,000  
No terminal steel included.

Mr. BUCKMAN. Now I am about to cite the figures placed in the record by Mr. Archbold and the corresponding figures of the Canal Authority.

*Figures on mileage*

The Canal Authority's mileage from Port Arthur to Trenton is 2,010. The mileage of the Petroleum Administration for War—to which I shall hereafter refer as P. A. W.—is 2,204. The Canal Authority cites for its figures the Chief of Engineers and the Hydrographic Office. They are measured miles.

*Average speed of barges*

The average speed of these barges is taken by the Canal Authority as 5 miles per hour, by the P. A. W. as 4.16 miles per hour.

Senator CHAVEZ. What is the opinion of the engineers? What figure do they take?

Mr. BUCKMAN. The engineers have not made a statement in the record, but General Reynolds did state that the time required for the round voyage is 40 days, and since we also compute 40 days, it is a fair assumption that our speed is the same speed taken by the Chief of Engineers.

(A discussion followed off the record.)

*Figures on turn-around time*

Mr. BUCKMAN. The turn-around time of the Authority is 40 days, and of the P. A. W., 47 days. The Authority offers as supple-

mentary authority for the 40-day figure the statement of the Chief of Engineers before the committee. He supports that figure of 40 days.

Senator CHAVEZ. Is that based upon the identical routes?

Mr. BUCKMAN. Yes, sir.

Senator CHAVEZ. And upon some past performances?

Mr. BUCKMAN. Yes, sir.

Senator CHAVEZ. It is based upon certain averages?

Mr. BUCKMAN. Both the Canal Authority and the Chief of Engineers have made careful studies as to the chief factors entering into that turn-around time.

Senator CHAVEZ. Including past performance in certain areas?

Mr. BUCKMAN. Yes, sir. The only real basis is past performance. Experience records are worth a great deal more than anything projected.

*Comparative figures on size of steel barges*

Mr. BUCKMAN. Going back to the comparison of these figures, namely, those submitted by Mr. Archbold of the P. A. W. and the Canal Authority, the size of the steel barges is taken by the Canal Authority as 10,000 barrels and by P. A. W., 8,000 barrels.

The 10,000-barrel barge taken by the Canal Authority is the barge recommended by the Chief of Engineers and is also the standard barge now in use.

*Comparative figures on number of barges required*

The number of barges required, as computed by the Canal Authority, is 400, and by P. A. W. is 691. That is merely a matter of arithmetic. If you take smaller barges, you must have more of them to do a given job. But I call your attention to the fact that by pursuing that method, you can boost indefinitely the amount of steel you may wish to show as necessary.

*Comparative figures on number of tugs required*

The tugs required, as computed by the Authority, are one-third that number of barges, that is, one-third of 400 or 134; and by the P. A. W., 295—namely, more than twice as many. The Authority supplements its statement by referring to the figures of the Chief of Engineers, which agree with those of the Authority.

*Comparative figures on tons of steel in each barge*

As to the tons of steel in each steel barge, the Authority takes, as the tonnage in a steel barge of 10,000 barrels, 225. The P. A. W. takes as the steel in a steel barge of 8,000 barrels capacity, 215. The figure of the Canal Authority is based upon actual steel in actual barges of that size now moving over the waterways.

The tons of steel in each wooden barge is 45, as given by the Authority. It isn't given at all by P. A. W. The authority for that is the standard design of wooden barges which are now being built for 6,000 barrels, and making a proper allowance to raise the steel content of the 6,000-barrel wooden barges to 10,000 barrels, raising it from 30 to 45 tons.

*Tons of steel in each tug*

The tons of steel in each tug are taken by the Canal Authority as 160, and by the P. A. W. as 225. The Canal Authority submits that a survey of the actual tugs of this power now in operation shows that the tugs which have given service for many years contain somewhat less than 160 tons of steel, and there is no need for putting more than that much steel in a tug for this service.

It obviously is possible to build a tug bigger or heavier, with heavier plates on it, if you wish to do it. But practical operating tugs

now doing this heavy-duty work and which have done it for many years, will run 160 tons and less of steel.

#### Comparative figures on prime horsepower per tug

The prime horsepower per tug is taken by the Canal Authority as 600, which is recommended by the Chief of Engineers; and the same figure, 600, is taken by P. A. W.

#### Utilized horsepower per tug

The utilized horsepower per tug, which is quite a different thing, is 309; it is not given by P. A. W.

With your permission, I will come back to that difference between prime horsepower and utilized horsepower, shortly.

#### Comparative tons of steel in barges and tugs

The total tons of steel in the barges is, therefore, taken by the Canal Authority as 90,000 and by the P. A. W. as 148,565. I think you will see where the divergence begins.

The total tons of steel in the all-steel tugs, at 160 tons each, given by the Authority, are 21,440; by the P. A. W. as 66,375.

#### Comparative tons of steel and prime horsepower in fleet

The total of all steel in the fleet, as given by the Canal Authority, is 111,440 tons, as against 214,940 by the P. A. W. There you have a divergence of nearly 100 percent.

The total prime horsepower in the tugs as given by the Canal Authority is 80,000; but the P. A. W. has 177,000. That difference is due simply to the fact that the P. A. W. erroneously assumed 295 tugs at 600 horsepower each; and the Canal Authority bases its program upon 134 tugs at 600 horsepower each.

The divergence of factoring, as between the Canal Authority and the P. A. W., results in over 100 percent difference in the horsepower requirements. And, again, I hope that I am enabling the committee to see how these impressions arise that the pipe line is more efficient, either in steel or in horsepower, than is the barge. The reverse is the case.

#### Comparative figures on cost of barges and tugs

The total utilized horsepower of the fleet, as given by the Canal Authority, is 41,406. The cost per barge, as given by the Canal Authority, is \$55,000; and as given by the P. A. W., it is the same amount, \$55,000 each.

The cost per tug, as given by the Canal Authority, is \$200,000, and by the P. A. W., the same figure, \$200,000.

#### Cost of wooden barges

Senator CHAVEZ. Pardon me right there, Mr. Buckman. Have you any figures on the wooden barges?

Mr. BUCKMAN. Yes, sir. The cost of the wooden barges I haven't included in this tabulation. But they are not very much lower in cost than the steel barges, because of the additional labor required. They will probably run from 8 to 12 percent less in cost.

I do wish to point out at this time that this figure used by the Canal Authority in this particular tabulation—namely \$200,000—as the cost for one of these 600-horsepower tugs, is a figure to which we do not agree. We feel that that is altogether too high to build a serviceable, 600-horsepower tug for this service. But in order not to complicate this immediate discussion, we have for the moment accepted that figure for purposes of the comparison.

#### Comparative figures on total cost of barges in fleet

That would give a total cost for the barges in this fleet, according to the Canal Authority, using the same unit figures as the P. A. W., of \$22,000,000.

The P. A. W. figure, using their higher number of barges, is \$38,000,000.

Senator CHAVEZ. How does that compare with the figures of the witness who appeared yesterday? Do you recall them?

Mr. BUCKMAN. I think he didn't break down his figures; but from the over-all statement that he made, I think he was taking at least in part the Canal Authority's figures for equipping this canal to take the 1,600,000 barrels a day. If I am correct in that, his figure would have to be broken down to the Canal Authority's figures. We are discussing here a 250,000-barrel program.

Senator CHAVEZ. I understand.

#### Comparative figures on total cost of tugs in fleet

Mr. BUCKMAN. The total cost of the tugs, as given by the Canal Authority, is \$26,800,000, using the same unit costs as the P. A. W., and the P. A. W. total cost of the tugs, using their higher number of tugs, is \$59,000,000.

#### Comparative figures on total cost of fleet

The total cost of the entire fleet—barges and tugs—would, therefore, be \$48,800,000, even allowing \$200,000 per tug, which we consider excessive. Set that figure of \$48,800,000 for the entire cost of the fleet, as against the total arrived at by the P. A. W. of \$97,000,000, or over a 100-percent increase, and you again get a view of how these figures can be increased by erroneous factors.

#### Comparative figures on barrels of oil delivered daily per ton of steel

Translating those figures into barrels of oil delivered daily per ton of steel, we see that the barge canal, according to the Canal Authority, will carry 0.89 barrel of oil per ton of steel, whereas the figures submitted by P. A. W. are 0.46.

It is easy to see how they arrive at those figures, and how much in error they are. The barrels delivered daily per ton of steel, if three-fifths of the load is to be carried in wooden barges—namely, if three-fifths of the load is to be residual fuel oil—would be 1.46 as against the efficiency of 0.46 given by P. A. W.

#### Comparative figures on barrels per day per prime horsepower

The barrels delivered per day per prime horsepower, as given by the Authority, are 1.2, as against 0.67 as given by P. A. W.

The barrels delivered per day per utilized horsepower, as given by the Canal Authority, are 2.4, with that figure not given by the P. A. W.

#### Superiority of efficiency in steel and horsepower in favor of barge method of transporting petroleum

If the committee please, bear in mind with respect to all of these figures, which to our mind unquestionably show not a slight but a vast superiority in efficiency for both steel and horsepower in favor of the barge method of transporting petroleum, that none of those figures takes into consideration the distribution function of the barge on top of this already great margin of superiority.

I don't want to tire the committee too much with other figures. I wish to add this, however.

Senator THOMAS. Let me make this suggestion: If you have there a volume of figures, you might insert those in the record as fully as you care to.

Mr. BUCKMAN. Senator, I have just a few more figures, and then I would like to proceed with the balance of my statement, if that is agreeable.

Senator THOMAS. You may proceed as you wish, having in mind that we want to complete these hearings at this session here this morning.

Mr. BUCKMAN. Very well. I shall go through it, then, as rapidly as possible.

#### Prime horsepower employed by pipe lines

With your permission, I will insert that statement regarding the prime horsepower employed by the pipe lines, which is far greater than the horsepower simply on the motors at the pumps, as reported by the Petroleum Administration for War.

Senator THOMAS. Very well. Without objection, that may be done.

(The statement referred to follows:)

#### "COMPARISON OF PRIME HORSEPOWER REQUIRED—BARGE VERSUS PIPE LINE"

"To properly compare the prime horsepower efficiency of the barge, 1.2, with the prime horsepower efficiency of the pipe line, the figure 2.2 given for the pipe line by Petroleum Administration for War (which is for secondary, motor, horsepower only) must be multiplied by 0.45 to give the prime horsepower actually required. The proper comparison then becomes 1.2 efficiency for the barge as against 0.99 for the pipe line."

#### Other commodities that would be transported through canal

Senator THOMAS. At this point, let me ask you this question: To date this proposal has been presented on the basis very largely of the transportation of fuel oil and oil products. Of course, it is obvious to me that oil is not the only commodity that will be transported through this canal when the canal is constructed, and I would like for you to add to your statement, if you can, a list of the goods or commodities that might be carried through this canal both ways—from west to east and north, and from north and east to the West.

To me it is obvious that coal, for example, might be transported, as one commodity—and I use that only as an illustration of what might be transported through this barge canal. No doubt you have made a survey of the commodities available in the South and the West that might be transported very efficiently by water. I would like for the record to show what goods originating in the West might be sent east and north through this canal, and what goods originating in the North and East might be transported to the West.

Mr. BUCKMAN. Senator, I have those items here and had intended to present them at this time. For my guidance, if you will instruct me, are you proposing to give me a few moments more?

Senator THOMAS. We can run along as long as the committee wishes to sit.

Mr. BUCKMAN. I think I can finish up in half an hour, if that isn't imposing too much on the committee.

Senator THOMAS. If you will make the record clear on the transportation of the various commodities.

Mr. BUCKMAN. I will be happy to place this all in the record, and then go ahead, if that meets with the pleasure of the committee.

Senator THOMAS. At least, I want you to hit the high spots. I find that the record contains a statement relative to other commodities on page 86, when Colonel Goethals was on the stand. I made this statement [reading]:

"Without objection, a statement of that character covering the subject of commodities will be placed in the record."

Then a statement is furnished, and we find there a list of commodities contemplated to be transported through this canal. I would like to have your statement about the matter, as well.

Mr. BUCKMAN. Thank you, Senator. I have prepared a list, and have added a list prepared by the Department of Commerce.

Senator THOMAS. I think the record ought to be made complete. The pipe lines can transport only one thing, which is oil.

Mr. BUCKMAN. That is correct.

Senator THOMAS. Another thing, when the war is over the pipe lines will go into disuse; but this canal, if constructed, will be good for

the transportation of almost every type of commodity, and indefinitely.

Mr. BUCKMAN. That is the position of the Authority, sir.

Senator THOMAS. You may proceed. I beg your pardon for interposing, but I think the record ought to set these things out a little more fully.

Mr. BUCKMAN. Yes, sir.

#### Fundamental question involved

I would like to say, from our point of view, consideration of the construction of a barge canal across Florida, to complete and make available the Intracoastal Waterway from Texas to New Jersey poses the following fundamental question:

Shall we accept the destruction of our ocean-borne domestic commerce upon which we have hitherto depended for more than half the ton-miles of transport necessary to support our economy, and endeavor to fight the war with such makeshift and supplementary overland transportation as we may be able to devise, or shall we restore this lost transport by resorting to an alternative method for water-borne freight, that is to say, the completion and use of our Intracoastal Waterway?

Upon our arriving at the correct answer to this question may, and probably will, depend the length of the conflict, the measure of its cost to our people, and the degree of our success. Here is far more than the movement of a certain amount of petroleum. The problem involves also the transport of many millions of tons of dry cargo, the wisest use of our rail system, the mobilization, arming, and training of our Army and Navy and their overseas transport and supply, the health and morale of the civilian population, the efficiency of industry, and the most expedient use of manpower and material.

Enemy action has resulted in a major alteration for the worse of our over-all transportation situation. Until and unless that situation is remedied, we face continued and increasing inadequacy of transport. Only an early termination of hostilities, from unforeseeable causes, could in time relieve us of this problem.

#### Necessity for general transportation relief and expansion

To argue, on however fallacious grounds, that a highly specialized facility such as a pipe line, incapable of transporting more than certain selected petroleum products, requires less steel or less power than a barge, is to ignore the greater part of our dilemma. While it can be shown that inland water transport is in truth a more efficient means of moving petroleum than is a pipe line, I invite your attention to the more important fact that above and beyond our need for petroleum in the East is our necessity for general transportation relief and expansion. How these are to be obtained by any means which we can safely and expediently employ, except by resorting to water-borne traffic, has yet to be suggested by anyone.

As pointed out by President Adams and President Jackson, and many before and since their time, the great salient of North America is the peninsula of Florida; and the ability to circumnavigate its extremity or traverse its base is the ultimate military key to the Mississippi Valley. We have lost our ability to maintain our supply lines via the straits, and it is a tragic fact that we cannot yet route water-borne cargoes across this barrier between the East and the central South and West.

I think that the able Chief of Army Engineers Major General Reybold, effectively disposed of the question as to whether it is practicable, without disproportionate drafts on manpower and material, to make this inland water transport available for service during the war, when he indicated that it might be completed and implemented by the winter of 1944-45—unless we care to assume the ter-

mination of the conflict before that time. The decision to be made is not whether we can repair and expand our wartime transport by this means, but whether we feel that such repair and expansion is necessary or whether better means for doing so are available.

No agency of Government specifically charged with duty of developing and fostering inland water transport

One of the difficulties which has faced Congress in its consideration of this matter is the fact that there is no administrative agency of the Government which is specifically charged with the duty of developing and fostering inland water transport. On the other hand, all competing forms of transportation are the special interest of some such agency. It is understandable, human, and natural, although unfortunate, that these agencies should, on the one hand, avoid the responsibility of putting forth suggestions for barge transport and on the other oppose any development which may appear to threaten the further development of the utilities with which they are especially concerned.

The Maritime Commission is concerned with ships, not inland barges. The Petroleum Administration is apparently dedicated to the building of a system of pipe lines. The traditional and apparently fixed policy of the Army and the Navy is to regard as outside their sphere of interest all civilian-operated transport, unless and until such transport fails to supply their operational requirements, and to look with disfavor upon any development embodying a draft upon potential military necessities if such a draft can be met by deductions from the civilian requirements.

In time of war this is probably the best policy for the Military Establishment to pursue, leaving to Congress the responsibility of providing for the welfare of the people and for the measure of unavoidable sacrifice they must make to preserve the internal structure of the Nation and furnish the necessary support for the war effort.

Senator MAYBANK. May I ask a question there? In view of the fact that this question concerns the military as against the civilian, will there be any critical material of the nature that is now being discussed and argued over in connection with the rubber program as against the 100 or high octane, used in the construction of this canal, of any consequence?

Mr. BUCKMAN. Certainly of no consequence, Senator.

Circumstanced as we are, there is unquestionably enough petroleum, food, steel, and other material for the Army and Navy. Because these arms of the service have and should have first call on our resources. What they take must be yielded by the civilian supply, and the deficiency borne by the people or made up by measures the responsibility for the adoption of which rests with Congress, not with the Military Establishment.

It is understandable, therefore, that we are unable to draw from the Army or Navy affirmative support for the construction of this project at this time, any more than the Petroleum Administration was able to draw from them an approval of the 24-inch pipe line, or the railroads were able to draw an approval for more locomotives and cars. Yet the civilian authority caused the pipe line to be built, just as a certain number of locomotives and cars are being built, and, it is hoped, this canal will be built. The Army and Navy and the civilian population will all be beneficiaries.

Nor can we look for encouragement to the Office of Defense Transportation, which is naturally centered upon the notable effort of the railroads, and, from the departmental point of view, can hardly be expected to welcome the diversion of materials from what they consider the program with which they are most concerned.

However, it may be appropriate to point out that waterway transportation, including this project, has always been strongly and effectively opposed by the railroads. They bear a share in the responsibility for a situation which finds us without this essential water transport, and must answer for it at the bar of public opinion.

So must the Petroleum Administration for War answer for its past and present obstruction of the canal, and so must we who insist that it should be built. There is this difference, however, in our position and theirs. Whereas we hold and have always held that all our facilities for transport, pipe lines, railways, and waterways, should be developed in the public interest, theirs has been a position antagonistic to all forms of transportation except that of immediate concern to them.

#### Canal would provide a major additional transportation facility

In seeking this appropriation, we have no disposition to hinder the appropriate executive agencies in the exercise of their judgment as to the course that should be pursued. It is recognized that there exists a serious shortage of transportation facilities. If and when this barge canal is built, and the necessary conveyancing facilities become available, there will exist a major additional means of supplying a very large portion of our requirements.

We feel that there should prevail the right to make such means available, and we feel that this right should not be lightly ignored; that it should be carefully weighed not alone in the light of facilities presently to be available, but in the light of growing demands, which, conceivably, may reach proportions far beyond present estimates.

If the appropriation is made, Congress will not be responsible for not having made it possible to take advantage of this additional means of supply, but will have implemented its policy expressed in the authorizing act. In that act Congress expressly recognized the project as a defense measure, and its emergent nature was explicitly stated by the declared purpose—"to promptly facilitate and protect the transport of materials and supplies needful to the Military Establishment." Higher authority for the military value of the project cannot be had.

#### Document on defense coordination of the Panama and Florida canals

I will now ask the committee to refer to Senate Document No. 198, of the Seventy-sixth Congress, third session, entitled "Defense Coordination of the Panama and Florida Canals." Please refer to the map, sheet 7 of 8.

This document relates in particular to the formerly proposed ship canal across Florida; but the features I desire to point out relate in a large measure to the present proposed barge canal. The date of this document is April 1940, nearly 2 years before our entry into the war.

#### Principal areal sources of raw materials

This chart, sheet 7 of 8, outlines the principal areal sources of raw materials in the United States and Latin America.

Area A, the Eastern Seaboard States, is the principal consuming and manufacturing area, while area B, the Mississippi Valley, is the chief producing area. Areas C, D, E, F, and G are next in order from the supply point of view. The raw materials produced in all these areas are listed at the left of the chart. I wish to offer this chart for the record.

The principal logistic problem is the transport between areas A and B, and between areas A and C. Transport between area A and areas D, E, F, and G is only of relatively less importance. Eighty percent of all transport is between A and B, and the maintenance of this transport is our chief problem. Normally, this transport is afforded by rail and

by coastwise vessel. At present, coastwise traffic is suspended, and all freight must move overland.

Likewise, freight from areas E and F and a large part of that from G could move by vessel to the Gulf coast, and thence overland to A, thus further burdening our rail system.

With the completion of the link across Florida, a large part of the tonnage which formerly moved coastwise between A and B will be able to move via the intracoastal canal, as well as the tonnage originating in E, F, and G, which could be transshipped to barges at Gulf ports.

#### Movement of Venezuelan oil

At this point I desire to call your attention to the fact that the safest and only practicable present route for oil from Venezuela to Atlantic ports of the United States is to a Gulf port and thence overland to the north and east. If we have to get more petroleum to the Atlantic seaboard than our own fields can produce under existing conditions, Venezuelan oil could move to our Atlantic coast via the comparatively safe Gulf waters and thence, by transshipment and barges, via the Intracoastal Waterway to the east. Here is reasonably satisfactory insurance against an insufficient supply of our own.

#### Potential war service of canal

Some idea of the potential war service of the barge canal can be gained by remembering that in the year 1941 approximately 23,000,000 tons of dry cargo moved coastwise between A and B, and that if the fleet of 1,000 barges and 334 tugs suggested by the Chief of Engineers were duplicated for dry cargo, it would carry 27,000,000 tons. In other words, that number of dry-cargo barges with tugs could restore the entire coastwise traffic over the intracoastal route, which formerly moved between these areas by ocean vessel.

#### Effect of war upon coastwise shipping

If the committee will now turn to the chart marked "4 of 8," there will be seen the former coastwise routes pursued by traffic between these areas. Each dot represents an actual ship. The numbers at the left each relates to a ship. The name and description of the ship will be found opposite its number on pages 7 through 24.

All of this coastwise traffic has been now suspended. It will be easily seen why this is so. That the destruction of many of these ships and the removal of all from the coastwise routes was definitely foreseeable in April 1940 is shown by reference to pages 33 and 34.

Copies of the two charts and of pages 33 and 34 are offered for the record.

#### Freight savings

Mr. BUCKMAN. Leaving for a moment the war service of the canal, I ask the committee to look at two charts I now hand to you. These charts were prepared in the Office of the Chief of Engineers and while they relate to freight savings which would be afforded by the ship canal, they are of value in considering the freight savings which would undoubtedly accrue by use of the barge canal in peacetime. They also show rather distinctly how the proposed barge canal across Florida connects not only the Gulf and the Atlantic intracoastal waterways, but connects these with the entire inland waterway system of the Mississippi Valley, making possible through barge shipments from central Mississippi Valley points to points on the Atlantic seaboard. I wish to offer these charts for the record.

The first of these charts is marked "Tributary Area for Domestic Water-Borne Commerce," and the second is marked "Tributary Area for Foreign Commerce."

#### Effect of canal on freight rates

While it must be remembered that the areas shown are tributary to the proposed ship canal and would not be identical with those which might be shown for the barge canal, the vastly lower cost of barge transport for heavy bulk freight compared with rail costs (the ratio is about 3 to 8) would undoubtedly create comparable areas in which there would be important freight savings. Freight rates do not exist until a traffic artery is opened. Hence no rates have been established on barge hauls from Gulf to Atlantic areas. It is a safe assumption, however, that the lower cost of barge hauling would result in lower rates on this route, as it has done on all other waterways. The railroads have testified to this.

#### Commodities that would move through canal

In its report under date of February 1, 1934, the Department of Commerce gives the following partial list of commodities which would move through this canal barge at a lower rate than by rail overland: Asphalt; autos, tractors, and parts; bags, bagging and ties; beverages, cereal—beer; canned meats and fish; canned vegetables; cement; chemicals; citrus fruits; clay and clay products; coal and coke; cottonseed products; fertilizer and fertilizer materials; grain, other than wheat.

Grain, wheat; grain products, flour, feed, hay; gravel; groceries, miscellaneous; iron and steel, billets, plates, and sheets; iron and steel, structural; iron and steel, pig and scrap; iron and steel, pipe and tubing; iron and steel, wire products; iron and steel, miscellaneous; lime, limestone, and plaster; lumber; lumber products; machinery and parts.

Naval stores; paper and paper articles; peanuts; petroleum products; phosphate; roofing and roofing material; salt; soap and soap powder; sugar; vegetables, fresh and dried.

Since the time of this report there will undoubtedly have to be added to this list the following: Sulfur, cotton, ores, beef, wood pulp, cross ties, ceramic ware, glass sands, bauxite, building stone, road materials, maize oil, carbon products, fuller's earth, fish oils, paint pigments.

I do not think that anyone versed in transportation will question the far-reaching and favorable reduction in rates which this canal would bring about for more than half the States of the Union.

#### Movement of petroleum through canal

I now turn to the principal liquid cargo which will naturally move by this waterway—petroleum. In time of peace, despite the fact that the ocean tanker will undoubtedly carry the through cargoes from Gulf ports to north Atlantic ports, the ability of the barge to make distribution at any point on the waterway will insure a large peacetime movement of this commodity by this means, especially to points between New Orleans and Norfolk.

War-time movement of petroleum from Gulf and Mississippi River ports to Atlantic seaboard

Of more immediate concern is the war-time movement of petroleum from Gulf and Mississippi River ports to the Atlantic seaboard.

The Chief of Engineers has stated that the theoretical capacity of the presently proposed locks is the bottleneck of the canal, and that this is equivalent to approximately 1,080,000 barrels per day. However, he prefers the view that a practical limit would be 600,000 barrels per day, and has suggested that a practical initial program would be the opening of the canal and the provision of a fleet of 1,000 10,000-barrel barges and some 334 tugs to assure delivery in the Philadelphia area of

250,000 barrels per day. This fleet could be in substantial measure recruited from tugs now built or building (more than 100) and barges built or building (more than 500).

#### Operation of barges on waterways a proven business enterprise

It should be borne in mind that the cost of the barge fleet is not necessarily a Government expense but, like existing equipment, is properly the concern of private enterprise. The view that anything more than the cost of the canal itself (\$44,000,000) is an anticipated net expense to the Federal Treasury, is fallacious. The operation of barges on these waterways is a proven business enterprise.

#### Need for additional facilities for transportation of petroleum

While it is only one of the aspects of this undertaking, the need for this waterway to augment our wartime petroleum transport and to relieve the railways merits the most careful consideration. That additional transportation facilities for this purpose are needed is not disputed. The Petroleum Administrator for War has clearly indicated his view in this matter by the suggestion that a third large pipe line may be applied for. This without any anticipation of relieving the consumer of rationing.

That rationing must continue until and unless we get more transportation has been clearly stated. The Petroleum Administrator for War made the following statement before the Truman committee, in January of this year:

"Secretary ICKES. We realize how serious the situation is, and no one can foretell, least of all I, what the demands are going to be from the armed fronts. The President said that we are going to strike everywhere. You can't move without gasoline. I know what the British stock position is today. It is the worst we have ever had. It is below the danger point. Summer is coming, when we can move large quantities where we have available storage. The operation of replenishing our east coast storage alone is an enormous task, and you can add to that making the much greater quantities of 100-octane gasoline that the armed forces are now asking us for and getting it over to north Africa and England and maybe other fronts that are soon to be opened. I wish that these points had been raised earlier."

Later, in the same hearing, he said:

"And the projected demands are astounding. I can't give you the figures in a public meeting. I should be glad to tell you, if you want to have it."

In a statement issued on March 16, 1943, the Petroleum Industry Council for War (a body created by the Petroleum Administrator for War) said:

"By the end of 1943, however, deliveries should actually be greater than they were before the war. Unfortunately, the civilian consumer may not get any part of these increased deliveries, and some degree of rationing will continue. In fact, the present forecasts of military demands indicate a definite possibility that the shortage next winter will be equally as critical as it was this winter."

Extract from letter of April 1, 1943, to Congressman SNYDER from Secretary Ickes

In a letter dated April 1, 1943, addressed to the Honorable J. BUELL SNYDER, chairman of the Subcommittee for War of the House Committee on Appropriations, the Petroleum Administrator for War said:

"The account in this morning's paper of the testimony of Mr. George A. Wilson, of the Transportation Division of this Office, before the Subcommittee on War Department, Committee on Appropriations, House of Representatives, creates the impression that the

Petroleum Administration has already determined that fuel-oil rationing next winter will be unnecessary.

"It is most unfortunate that any such statement should be made, because it has not foundation in the supply facts as they are before us at this time, and is definitely not a position which the Petroleum Administration can take in advance of knowing more than can now be known as to the days ahead. On the contrary, with stocks on the Atlantic seaboard badly depleted, with off-shore military requirements continuing to increase for obvious reasons, with the greater demand of a war industry operating at full speed, and with such unsettled questions as whether we are to have the material with which to build the additional pipe line planned, there can be no solid basis for assurance that a continuation of restrictions upon consumption will not be necessary.

"It is always difficult to forecast the future and particularly difficult in times of war. Next winter is 6 months off and many things can happen in 6 months to change radically a position so sensitive as that of petroleum supplies. But if we are guided by the facts before us today—and we cannot well be guided by anything else—we can conclude only that we are by no means out of the woods; that to enter next winter as well supplied as we were this winter represents a colossal task considering the condition of inventory, and that there is very present indication that we face deficiencies ahead."

Probability of continued and more stringent rationing

The essence of the situation appears to be that we are not only certainly faced with a continuance of present rationing, but we are faced with the undoubted probability of more stringent rationing than the civilian population and industry can stand, unless we take steps now to augment our petroleum transport.

Mr. Chairman, may I have permission in reviewing my testimony, if I find a statement which I think should be off the record to take it out?

Senator THOMAS. That is the rule of the committee.

Each witness is the judge of what should or should not be in the record. If our clerk thinks something is questionable, he may call your attention to that, so that you may agree on what should be in or out of the record.

Senator MAYBANK. I understand you say this is referring to 1940?

Mr. BUCKMAN. Yes, sir.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

(Tuesday, April 20, 1943)

#### PETROLEUM ADMINISTRATION FOR WAR

STATEMENTS OF J. R. PARTEN, DIRECTOR, TRANSPORTATION DIVISION, AND SHERMAN ARCHBOLD, F. C. COLEGROVE, W. C. KINSOLVING, WILLIAM EBERLE, ADOLPH H. LEVY, PETROLEUM ADMINISTRATION FOR WAR

#### Comparative use of critical materials

Mr. PARTEN. As is shown on exhibit A, the use of critical materials necessary for the barrels per day delivered to the east coast would be wasteful as compared with other methods of petroleum movement. That is, the use of 1 ton of steel in the approved 20-inch pipe line at 235,000 barrels per day capacity will increase east coast deliveries by 0.84 of a barrel of oil per day. The use of 1 ton of steel in constructing barges to deliver the same products from Houston,

Tex., to Trenton, N. J., will deliver only 0.46 of a barrel per day.

#### Less power equipment required for movement of petroleum by pipe line

In the second place, there is a shortage of power equipment. The approved 20-inch pipe line with the use of 1 horsepower will deliver 2.2 barrels per day to the east coast. One horsepower used in the barges necessary to deliver the same products from Houston, Tex., to Trenton, N. J., will deliver only 0.67 of a barrel of oil per day.

#### Comparison from standpoint of manpower

Furthermore, in the use of manpower—which is now a national problem—we can make another comparison. The pipe line will require relatively few skilled men. The pilots for the tugs must be trained, and there will be many required if an appreciable amount of oil were moved via the Florida Canal. When the 20-inch pipe line is completed, one man will be required for every 400 barrels per day delivered to the east coast. On the other hand, if barges via the Florida Canal were used to move the same products, one man would be required for every 34 barrels per day of oil delivered from the marginal sources of supply to Trenton, N. J.

#### Construction of pipe lines

Therefore, it is our conclusion that if additional transportation is required over and above that now planned, the way to get that transportation is either to speed up the construction of the large pipe lines, and if the equipment be sufficient, even the consideration of building a third large pipe line to the eastern seaboard.

#### Position of Petroleum Administration for War on construction of Florida Canal

We have never been able to bring ourselves to a point that we can recommend the building of extensive barge facilities, because of the cold facts that steel, horsepower, and manpower requirements are too great, as compared with those required in the other media of transport to do this job and that, Mr. Chairman, is the basis of our position with relation to the Florida barge canal.

Now, as I have tried to make plain before, we are not saying the barge canal across Florida should not be built. We are simply saying that it will not appreciably help us solve this east coast shortage of oil.

Senator THOMAS. And your statement is made strictly then on the problem confronting you of getting oil from the interior to the Atlantic seaboard?

Mr. PARTEN. That is correct.

Senator THOMAS. Senator LODGE, do you have any questions?

#### Use of manpower and critical materials on other types of transportation

Senator LODGE. Yes. And so you not only do not believe that the construction of this canal would help the petroleum situation, but as I get your comment you also feel that in view of the tight situation insofar as manpower, steel, and other types of power are concerned, it would be done at the expense of pipe lines and other types of delivery?

Mr. PARTEN. That is true. If it should be done it would represent, in our opinion, a wasteful use of critical materials.

Senator LODGE. Which might set us back insofar as building pipe lines are concerned?

Mr. PARTEN. I think that is correct, undoubtedly.

Senator THOMAS. Any further questions?

Senator LODGE. And, of course, this proposition rests on a number of different arguments, and this morning we are just considering one of them, as you have correctly pointed out; but if you look at it solely resting on the point of national defense—it has a local angle from the standpoint of the Southern

States, and has a local angle from the standpoint of the Northeastern States—but if you are just thinking about relieving the fuel situation in New England, on the basis of what you say, you would not build this canal, but you would take the manpower, and the steel, and the other types of power that would be consumed by this canal, and you would use them for pipe lines.

Mr. PARTEN. We would, sir.

#### Time for completion of 20-inch pipe line

I can visualize that if it were not for the tightness in power equipment, the unavailability of power equipment, we might get that 20-inch pipe line completed within the year. We first planned to complete that pipe line within the year, but we have been informed that the situation is so tight on power equipment that we would have to be, or would be obliged to remodel our program and instead of putting all of the designed pump stations on that line, we are first going to complete the line with alternate stations installed. That is where we are getting the 165,000 barrels a day at the outset. As the power equipment is available, we will fill in those intermediate stations thereafter, and step it up to 235,000 barrels per day.

One method can only be used at the expense of another

Senator LODGE. So if there were enough power and enough steel, and enough men, or a surplus of all of those things, why you might not object to doing this, but when those factors are short and tight, one thing can only be done at the expense of something else.

Mr. PARTEN. That is true.

Senator LODGE. That is all I have.

(April 27, 1943)

Question as to use of canal if it were complete now

Senator MALONEY. Major Parten, in your judgment, if the Florida Canal were now complete, would you advocate or undertake to advocate the construction of barges and power to carry the oil or other products across Florida; preferring it to other methods; convoyed vessels, for example?

Mr. PARTEN. Senator, I do not believe that we could in the light of the material requirements and the power and equipment requirements; and the manpower requirements.

Estimate of oil that could be transported through canal

Senator MALONEY. What is the most liberal estimate of the oil that could be transported across Florida, assuming that you had all of the barges you wanted?

Mr. PARTEN. It would be difficult to estimate that from a power standpoint and from a material standpoint. Our figures show that Norfolk would be about a breaking point on the delivery of material that way; petroleum that way.

Senator MALONEY. I am very timid about asking questions, because I have missed so much of the hearings, having been obliged to attend other hearings, and perhaps some of this you have been over before.

#### Potential capacity of 24-inch pipe line

What is the potential capacity of the Big Inch line?

Mr. PARTEN. Three hundred thousand barrels per day.

Senator MALONEY. That is what is estimated, but what is the maximum with additional power?

Mr. PARTEN. We could build that line up to 450,000 barrels a day with the addition of 200-percent power equipment.

Senator MALONEY. Well, that would give an additional 150,000 barrels of oil a day in the distressed area.

Mr. PARTEN. Yes.

Comparison of power equipment required for 24-inch pipe line and for barges

Senator MALONEY. Which takes the most vital equipment, the additional power for the "big inch" line, or the additional power needed to build the barges and the power equipment, and so forth, to get across Florida?

Mr. KINSOLVING. The power for the "big inch" which is now being completed would be 117,000 horsepower.

Mr. PARTEN. Senator, I would like to make an answer to that question and insert it in the record. As I understand what you would like to have would be a relationship of the power, by stepping up the 24-inch pipe line to its maximum feasible capacity, which would be 150,000 barrels a day additional, as against the power equipment required to haul 150,000 to the consumers on the eastern seaboard if we had the Florida Canal.

Senator MALONEY. That is right.

Mr. PARTEN. I would guess offhand that the power equipment required would be a stand-off. That is a curbstone opinion. I would like to prepare an answer to that and put it in the record, if I might.

(The information referred to follows:)

"The power required to move 150,000 barrels per day by barge from Houston to Trenton would be about 225,000 horsepower, while the power necessary to increase the 24-inch pipe line capacity by 150,000 barrels per day would be about 234,000 horsepower."

Senator MALONEY. I am not talking about dollars.

Mr. PARTEN. I understand.

Senator MALONEY. I am talking about power.

Mr. PARTEN. I understand, Senator. Here is what we get up against. When we get beyond a certain capacity in a pipe line the required power equipment goes up very rapidly to increase the capacity. That is the reason that we only designed the 24-inch pipe line for 300,000 barrels per day.

Senator MALONEY. I understand.

Mr. PARTEN. I said to get a 50-percent increase in through-put capacity we would have to add 200 percent of power equipment or an additional 234,000 horsepower.

Question as to stepping up power on 24-inch pipe line or constructing canal

Senator MALONEY. I understand. What I was trying to develop was the answer to what you would do if you were only confronted with the problem of transporting oil to the East; whether you would step up the power on the "big inch" line to get that 150,000 barrels, or whether you would build barges; dig the canal and provide the power.

Mr. PARTEN. I can answer that question for you. We would step up the power on the 24-inch line or propose another large pipe line; one of the two or both.

Senator MALONEY. Actually, as I see the situation—and I am asking a question—if it were entirely a matter of getting oil to the East, which has become a big issue in connection with this matter, it would be cheaper, would it not, to build another pipe line?

Mr. PARTEN. That is true.

Senator MALONEY. And you would get more oil.

Mr. PARTEN. Cheaper from the standpoint of the critical materials and also cheaper from the standpoint of—

Senator MALONEY. Standpoint of manpower.

Mr. PARTEN. And from the standpoint of manpower.

Senator MALONEY. The operations, I mean.

Mr. PARTEN. Operating manpower; that is true.

Senator MALONEY. And cheaper per barrel of oil?

Mr. PARTEN. Those figures are in the record. It would be cheaper in dollars to deliver the oil.

Senator MALONEY. And it certainly would be better—at least it would in my judgment—and again I am asking a question—it would be better for the people in the distressed oil areas to have the pipe lines. They could do a better job, could they not?

Mr. PARTEN. I think so, undoubtedly, Senator.

Use of canal in peacetime

Senator MALONEY. As a matter of fact, Major—I do not know whether you are sufficiently familiar with this subject or not—but, if we were now in peacetime it would be much more economical to forget the Florida Canal, insofar as the transportation of oil is concerned; and forget the pipe line. I am talking about going around the Florida Keys.

Mr. PARTEN. From the standpoint of oil deliveries on the eastern seaboard in normal peacetime economy, I would say "Yes."

Senator MALONEY. You do not believe, do you Major Parten, if we built this Florida Canal and peace comes, that it will ever be used to transport petroleum to any appreciable extent?

Mr. PARTEN. Not to any appreciable extent, because we are going to have a lot of pipe lines, and a lot of tank ships at the end of the war, I think.

Senator MALONEY. As a matter of fact, the present pipe lines are sufficient for a long time after the war ceases; we will have sufficient carrying capacity?

Mr. PARTEN. I would say that we are going to have a very bountiful capacity of petroleum transport to the eastern seaboard after the war is over.

Senator MALONEY. So, insofar as the argument now made concerning this, we are dealing purely with wartime matters. Is that right?

Mr. PARTEN. Yes. And I am only discussing the standpoint of petroleum supply.

Mr. MALONEY. That is the big issue.

Senator THOMAS. Any further questions?

WAR DEPARTMENT,  
Washington, D. C.

Hon. CARTER GLASS,  
Chairman, Committee on Appropriations,  
United States Senate.

DEAR SENATOR GLASS: The War Department does not favor enactment of the amendment to H. R. 2346, Seventy-eighth Congress (a bill making appropriations for the fiscal year ending June 30, 1944, for civil functions administered by the War Department, and for other purposes), which proposes an appropriation of \$44,000,000 for the construction of a barge canal from the St. Johns River across Florida to the Gulf of Mexico, authorized in Public Law 675, Seventy-seventh Congress, concerning which amendment your committee desires the views of this Department.

If the canal were completed and available for use at this time, it would, of course, be of military value.

However, if the amendment were adopted, the canal could not be put into operation for a considerable period. Many men, whose efforts it is believed could presently be more advantageously devoted to other work in connection with the war effort, would be required in the construction of the canal. The project would, further, require the uses of critical materials which the Nation cannot afford to have diverted from other war uses. Large quantities of equipment, which are now or may, due to changing war conditions, be required elsewhere, would also have to be assigned to the construction work.

The canal cannot, therefore, be put into operation except at a sacrifice of other projects and programs which now require the manpower and materials which would be necessary for its completion. Balancing conflicting needs, the War Department believes that it would be inadvisable at this time to commit to the project the manpower, critical

materials, and equipment necessary to complete the barge canal and thus to obtain any future military advantage which would result.

Accordingly, the War Department does not favor the enactment of the proposed amendment to H. R. 2346.

The fiscal effects of the enactment of the amendment are indicated by the sum proposed to be appropriated therein.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

ROBERT P. PATTERSON,  
Acting Secretary of War.

LETTER FROM NAVY DEPARTMENT  
NAVY DEPARTMENT,  
Washington.

The CHAIRMAN, SENATE APPROPRIATIONS  
COMMITTEE,  
Washington, D. C.

SIR: The estimates for the completion of the Florida barge canal have been variable, the minimum estimate being 10 months providing that no restrictions are placed on material, labor, and equipment, otherwise the completion time would be from 2 to 3 years.

If the canal were completed certain naval advantages for small craft would result, but these cannot be considered to be of primary importance. On the other hand, if the canal were completed and large numbers of tugs and barges were available such that critical war materials, oil, and produce could be transported without the use of sea-borne shipping the situation would be desirable in connection with the present war effort.

Submarine action in the area involved since July 1942 has only resulted in the loss of a few vessels and, therefore, as an immediate measure the project cannot be given a high naval priority.

Should any considerable amount of critical materials be required in the construction of the canal or any considerable construction of floating equipment, tugs, and barges be required such that any diversion of strategic and critical materials from the present shipbuilding program would result, the Navy Department would consider the project as undesirable for completion at this time.

The Navy Department is of the opinion that this project should be held in abeyance.

Respectfully,

JAMES FORRESTAL,

EXECUTIVE SESSION

Mr. MALONEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Capt. George B. Wilson to be a rear admiral in the Navy, for temporary service, to rank from the 3d day of October 1942;

Capt. Ralph S. Wentworth, United States Navy, to be a commodore in the Navy, for temporary service, while serving as commandant, naval operating base, Iceland, to rank from the 24th day of April 1943; and

Capt. Charles M. Yates, United States Navy, to be a commodore in the Navy, for temporary service, while serving as commandant, naval operating base, Oran, to rank from the 26th day of April 1943.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters; and  
Antonette T. McKechnie, to be postmaster at Gearhart, Oreg. (adversely reported).

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. LODGE. I move that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

#### THE JUDICIARY—NOMINATION PASSED OVER

The legislative clerk read the nomination of Stephen S. Chandler, Jr., to be United States district judge for the western district of Oklahoma.

Mr. LODGE. I ask that the nomination be passed over.

The PRESIDING OFFICER. Objection being heard, the nomination will be passed over.

Mr. MALONEY. I ask that in the case of the nominations confirmed, the President be immediately notified.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

That completes the executive calendar,

#### RECESS TO MONDAY

Mr. MALONEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday, next.

The motion was agreed to; and (at 6 o'clock and 13 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until Monday, May 10, 1943, at 12 o'clock meridian.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate May 6 (legislative day of May 3), 1943:

##### POSTMASTERS

##### CALIFORNIA

Rena M. Rinaldi, Randsburg.

##### GEORGIA

Royce D. Power, Vienna.

##### SOUTH CAROLINA

Ollie W. Bowers, Central.

##### WISCONSIN

Frank Hanley, North Freedom.

## HOUSE OF REPRESENTATIVES

THURSDAY, MAY 6, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, in our failure to understand, we praise Thee that Thou art not far away. Over against every desire and every yearning, Thou, O Christ, wilt meet every want. As we walk among our fellows, grant us such cheerfulness and faith that we may reflect the beautiful secret of our Master. Grant that those under circumstances

of temptation and trial, and those who are bested by false criticism, may know that all things work together for good to them who love Thee.

We pray for greater and more just consideration among our people that divisive influences may be overthrown and destroyed; do Thou greatly multiply the things which make for unity and peace. O Thou, Regent over all doubts and darkness, we need the covert on which the storm beats in vain. As Thy spirit moves on the face of the contrary waters, we need Thee above all besetting clouds, principalities, and powers. Bring out into the light of day all who are failing our country in the realm of selfishness and arrogant ambition. In these burdensome days we pray that every citizen of our Republic may free himself from every fatal indifference lurking within and take his stand which refuses to be bound by the windowless chambers of association and prejudice. Almighty God, be present in the battle line, the march, and in the bivouac where the trees sigh in summer and wail in winter. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 796. An act relating to the use and operation by the United States of certain plants in the interests of the national defense.

#### EXTENSION OF REMARKS

Mr. O'NEAL. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include a questionnaire.

The SPEAKER. Is there objection? There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my own remarks on two different matters, and include newspaper articles.

The SPEAKER. Is there objection? There was no objection.

#### FREEDOM OF THE PRESS

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection? There was no objection.

Mr. ROBERTSON. Mr. Speaker, of all the democratic freedoms, none is more priceless than freedom of the press. It is the cornerstone of representative democracy. When facts are suppressed or misrepresented, the government "of the people, for the people, and by the people" perishes.

The tax fight through which we have recently passed aroused more interest and vitally affected more people than any issue of recent years. Editorially, the majority of the press favored the Ruml plan, but, thanks to a firm allegiance to the fundamental principle of freedom of the press, all papers faith-

fully, fairly, and impartially reported the facts concerning all of the tax proposals.

I take off my hat to the members of the Fourth Estate serving with us at the National Capitol. They were called upon to report on a highly technical issue. They burned the midnight oil to get the facts, and then, without fear or favor through the news columns of the papers for which they wrote, they presented those facts to the reading public.

It should be gratifying to those who voted for the tax bill that passed the House on Tuesday to note the favorable newspaper comment on the bill. There were friendly comments in all of the Washington papers, the New York Times, the Baltimore Sun, and many others.

It is impossible for any Member to carry in his head all of the details of a complex tax bill. The answer to many questions being asked concerning provisions of the House bill will be found in my statement in the CONGRESSIONAL RECORD of May 3, commencing at page 3850.

#### EXTENSION OF REMARKS

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include an article by Mr. Arthur Krock, of the New York Times, on the subject of reciprocal trade agreements.

The SPEAKER. Is there objection? There was no objection.

Mr. FAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include a memorial address made by Surrogate James A. Foley, of New York, at the meeting of the Society of the Friendly Sons of St. Patrick on the life of Maj. Gen. Alexander E. Anderson.

The SPEAKER. Is there objection? There was no objection.

#### LEAVE TO ADDRESS THE HOUSE

Mr. GORE. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative proceedings and any other special orders today I be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection? There was no objection.

#### EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include a statement appearing in the Foreign Commerce Weekly. The Government Printing Office indicates that the cost will be \$75. Nevertheless, I ask that it be included.

The SPEAKER. Is there objection? There was no objection.

Mr. HORAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include an article from this morning's Times-Herald.

The SPEAKER. Is there objection? There was no objection.

Mr. GORSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the CONGRESSIONAL RECORD and include therein an editorial and official military reports in connection with the retirement of Chap-

lain Col. Msgr. Aristeo V. Simoni, chief chaplain at Camp Grant, Ill.

The SPEAKER. Is there objection?

There was no objection.

Mr. KNUTSON. Mr. Speaker, in the hearings on the resolution to extend the reciprocal trade agreements, the distinguished gentleman from Texas [Mr. KLEBERG] appeared before the committee and made a very able statement. I would like to have that made available to the entire membership of the House. I ask unanimous consent to have it inserted in the RECORD. The cost will exceed the usual amount, but I think it is well worth while.

The SPEAKER. Is there objection?

There was no objection.

#### THE COURAGE OF YOUTH IN THE WAR EFFORT

Mr. McCORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks by the insertion of a small editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORD. Mr. Speaker, at a time like this, it is refreshing to note the courage, intelligence, and energy with which the youth of the land is lending itself in the advancement of every plan in furthering the war effort and in every program that will enable us to feed a hungry world. Boys and girls, Future Farmers, and 4-H Club members are making a great contribution at this time. Their efforts, I am sure, are appreciated by all people who are studying agricultural problems and as an evidence of the appreciation of the people of these efforts, I quote herewith an editorial from the Nashville Banner of Monday, May 3:

#### THE RICHER FOR IT

Agriculture—unlike all the other industries—did not grow up. It was born full grown, and has been from the beginning, because from the beginning the human race has had to eat. Nevertheless, it can be said that the best of farmers grow up with it, and those making the most of their opportunities have made improvements in it.

Future Farmers and 4-H Club members are peculiarly blessed with that opportunity, an instance of which comes to mind with the announcement that 670 of them in Tennessee this spring marketed a half-million pounds of quality fat hogs in shows and sales here, at Memphis, Knoxville, and Chattanooga. They have learned the value of quality livestock, and such diversification of money crops as accents agricultural progress.

These 670 farm youths are richer by almost \$70,000, and as local packers bought their products, the State stands to eat better to the extent of 500,000 more pounds of quality pork.

#### DISCRIMINATORY FREIGHT RATES

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, the freight rate structure now in existence in this country is grossly discriminatory against the West and South. These differences must be eliminated if the South, the West, and the Southwest

are to be permitted to develop properly. In order to eliminate them I am this day introducing in the House of Representatives a bill which is drawn along lines recommended by Mr. Robert E. Webb and Mr. C. E. Childe in the majority report on their study of national freight rates, made by the Board of Investigation and Research. This committee was authorized by act of Congress and has given months of careful study to the subject.

The bill is an amendment to the Interstate Commerce Act. It adds a new section which declares that it is in the interest of the proper development of this country as a whole that there be established a uniform classification of property and a uniform scale of class rates for application to the transportation of property by railroad throughout the United States. The bill provides for full hearings on the reasonableness and lawfulness of the classification and rates proposed.

The Interstate Commerce Commission has not taken the proper action to eliminate discriminatory freight rates that now exist. The adoption and carrying out of the provisions of this bill will stop the present industrial choking of the South, the West, and the Southwest. It will encourage industry to locate in these areas close to raw materials and natural resources of the country. Nebraska has the raw materials, ample power facilities, a water level rail freight route, a chain of large airports and ideal climate and labor conditions. It only lacks fair freight rates. What is true of Nebraska is also true of the South and Southwest. It is most urgent and necessary that the Congress provide for the elimination of these discriminatory rates.

The SPEAKER. The time of the gentleman has expired.

#### CONFUSING DIRECTIVES FROM THE OFFICE OF PRICE ADMINISTRATION

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENNINGS. Mr. Speaker, so many cockeyed orders and directives are coming out of Washington, which are adversely affecting the business of the country that we have about reached the point where a halt should be called on these bureaucrats who issue the orders and leave businessmen all in doubt as to whether "the snake that made the track was going in or backing out."

The lumber division of O. P. A. has just issued an order undertaking to tell lumbermen how to tell a sawmill from a lumber yard. It was so confusing that trying to get the meaning was like endeavoring to hatch chickens from scrambled eggs. The lumbermen of my district threw up their hands in disgust and despair. Then a man in charge of that branch of the O. P. A. issued a clarifying directive that could be understood. Then a so-called lawyer, who never had a lawsuit in his life, held that it is illegal to clearly define a lumber yard in such

terms that you can distinguish a mill from a distribution yard.

There ought to be an end to nonsense sometime. Those businessmen who up to this time have been able to travel under their own power ought to be let alone. The uncalled for interference with the lumber business of my section is threatening its continuation, may throw thousands out of work, reduce the available supply of lumber, and seriously retard the war effort.

The SPEAKER. The time of the gentleman has expired.

#### COST OF CATTLE FEEDING

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein a short editorial.

The SPEAKER. Is there objection?

There was no objection.

[Mr. ARENDS addressed the House. His remarks appear in the Appendix.]

#### TYPICAL AMERICAN FAMILY

Mr. BREHM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. BREHM. Mr. Speaker, I have received a letter which to my mind represents a typical American family. I think it possesses enough merit to justify its insertion in the RECORD as an example of American patriotism.

It reads as follows:

CHILLICOTHE, OHIO, April 23, 1943.

Dr. WALTER E. BREHM,  
House of Representatives,  
Washington, D. C.

DEAR DR. BREHM: Our only son is a volunteer in the service of our country.

Twenty percent of our income is going into War bonds.

We have only requested an A gasoline ration card.

We have not hoarded canned goods.

We have supported every war activity, both financially and physically.

We have given our blood to the Red Cross. And we are happy to have been able to do what we have done.

Although our taxes are greatly increased and my salary is frozen, we still do not mind.

But when we read and hear daily of the high-handed actions of some of our labor-leading racketeers who think they are mightier than the country that made their present position possible, then we believe it is time to call a halt.

We sincerely hope that you, as elected Representative of all the people, will make it your first order of business to see to it that these men are compelled to act patriotically in time of war, whether it is their selfish personal desire to do so or not.

We love our country—it is too fine a country to go the way of France. Please act before it is too late.

Yours truly,

Mr. and Mrs. X.

The SPEAKER. The time of the gentleman from Ohio has expired.

#### EXTENSION OF REMARKS

Mr. WILLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein

a resolution from the Legislature of the State of Delaware.

The SPEAKER. Is there objection?  
There was no objection.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. KEEFE. Mr. Speaker, I ask unanimous consent that at the conclusion of the other special orders and the regular business on the Speaker's desk today I may be permitted to speak for 15 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### SILVER PURCHASE ACT

Mr. SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?  
There was no objection.

[Mr. SULLIVAN addressed the House. His remarks appear in the Appendix.]

#### AMENDMENT OF NATIONALITY ACT OF 1940

Mr. CLARK, from the Committee on Rules, submitted the following privileged report on the bill (H. R. 1291) to amend the Nationality Act of 1940 (Rept. No. 420), which was referred to the House Calendar and ordered printed:

*Resolved*, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1291) to amend the Nationality Act of 1940.

That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### AMENDMENT OF NATIONALITY ACT OF 1940

Mr. DELANEY, from the Committee on Rules, submitted the following privileged report on the bill (H. R. 1295) to amend the Nationality Act of 1940 to preserve the residence for naturalization purposes of certain aliens who serve in the military or naval forces of one of the Allied countries during the Second World War, or otherwise assist in the Allied war effort and for other purposes (Rept. No. 421), which was referred to the House Calendar and ordered printed:

*Resolved*, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1295) to amend the Nationality Act of 1940 to preserve the residence for naturalization purposes of certain aliens who serve in the military or naval forces of one of the Allied countries during the Second World War, or otherwise assist

in the Allied war effort, and for other purposes.

That after general debate which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### AMENDMENT OF NATURALIZATION LAW

Mr. COX, from the Committee on Rules, submitted the following privileged report on the bill (H. R. 1941) permitting the naturalization of certain persons not citizens whose sons or daughters have served with the land or naval forces of the United States (Rept. No. 422), which was referred to the House Calendar and ordered printed:

*Resolved*, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 1941) permitting the naturalization of certain persons not citizens whose sons or daughters have served with the land or naval forces of the United States.

That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### AMENDMENT OF TARIFF ACT OF 1940

Mr. NICHOLS, from the Committee on Rules, submitted the following privileged report on House Joint Resolution 111 to extend the authority of the President under section 350 of the Tariff Act of 1940, as amended, which was referred to the House Calendar and ordered printed:

*Resolved*, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 111), to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 2 days, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment the committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

#### EXTENSION OF REMARKS

(Mr. VAN ZANDT and Mr. GATHINGS asked and were given permission to extend their own remarks in the Appendix of the Record.)

#### THE SILVER PURCHASE PROGRAM

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CELLER. Mr. Speaker, the gentleman from Nevada has made some observations on silver with which I emphatically disagree. The House passed the so-called Celler amendment precluding any moneys appropriated under the Treasury-Post Office bill from being used for the purchase of silver. In order to create no embarrassment I did not press for the inclusion of that amendment in the final conference report, but I indicate to the gentleman from the silver State that this does not mean that I have ceased my fight to wipe out of the way lock, stock, and barrel all the silver purchase acts, and I shall press my claim before the Committee on Ways and Means to have a hearing and ultimately favorable review and approval of my bills to abolish these silver purchase acts by that committee.

The SPEAKER. The time of the gentleman from New York has expired.

#### CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH OF THE FEDERAL GOVERNMENT

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. DWORSHAK addressed the House. His remarks appear in the Appendix.]

#### EXTENSION OF REMARKS

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. AUGUST H. ANDRESEN addressed the House. His remarks appear in the Appendix.]

#### ASSISTANCE TO SMALL BUSINESS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. PATMAN. Mr. Speaker, the question has been asked, what has been done for small business? Much has been done and much is now being done. One hundred and thirty-one different offices have been established throughout the country which will enable a small businessman to go near home and get the same service and consideration that the big businessman gets in Washington. Not as much has been done as I would like to see done but very good progress is being made and I think that progress may be considered satisfactory under Col. Robert Wood Johnson. The gentleman's statement about long-haired New Deal theorists down at O. P. A. ruining small business I do not think is justified. Although many things are being done by O. P. A. that I object to, they cannot be laid entirely at the door of the Democrats in O. P. A. If the gentleman will examine the personnel of O. P. A. he will find over 60 percent of them are Republicans, so you certainly would not consider that they are all New Deal Democrats. You cannot consider that only administration Democrats are the ones who are trying to destroy small business.

Mr. McCORMACK. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Colonel Johnson impressed me as being very much of an outstanding American. As I recollect it, though, he is not a Democrat?

Mr. PATMAN. I understand Colonel Johnson, who will soon be General Johnson, is a Republican. I know lots of mistakes have been made down there but they are not all made by Democrats. Of course, the Democrats are responsible, but over 60 percent of the personnel of O. P. A. are Republicans.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I did not class these intellectual supermen as either Republicans or Democrats.

Mr. PATMAN. Why does not the gentleman name one?

Mr. AUGUST H. ANDRESEN. There is Dr. Galbraith.

Mr. PATMAN. Who else?

Mr. AUGUST H. ANDRESEN. Mr. Hoffman.

Mr. PATMAN. Who else?

Mr. AUGUST H. ANDRESEN. Mr. Baker.

Mr. PATMAN. Who else?

Mr. AUGUST H. ANDRESEN. Mr. Weiner.

Mr. PATMAN. Who else?

Mr. AUGUST H. ANDRESEN. I could go on down the line and give you scores of them.

Mr. PATMAN. Will you put them in the RECORD?

Mr. AUGUST H. ANDRESEN. Mr. Ginsburg who just went out is another one.

Mr. PATMAN. Consider the number of employees of O. P. A., then com-

pare the number the gentleman mentions with the total number employed and they are insignificant. Anyone who is wrong down there should be put out and I have requested the removal of certain personnel in O. P. A.

Mr. AUGUST H. ANDRESEN. These men make the policies, and they know nothing about business, production, or distribution.

The SPEAKER. The time of the gentleman has expired.

#### EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an interesting letter sent to Maj. Gen. Lewis B. Hershey by Hon. FRANCIS E. KELLY, of Massachusetts.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. COX. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. Cox]?

There was no objection.

[Mr. Cox addressed the House. His remarks appear in the Appendix.]

#### THE O. P. A.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. KEEFE]?

There was no objection.

Mr. KEEFE. Mr. Speaker, I listened with great interest to the colloquy between the distinguished gentleman from Minnesota [Mr. ANDRESEN], and the distinguished gentleman from Texas [Mr. PATMAN]. I do not pretend to know all about the O. P. A., but I would like to direct to the attention of the gentleman from Texas, who is always defending governmental organizations, the fact that it is true there are hundreds of fine men and women employed in O. P. A. There are literally hundreds of splendid people holding positions of an executive character in O. P. A. I direct the gentleman's attention to the fact that the difficulty lies in the comparatively large number of dreamers who are to be found in the attorneys' section and in the economists' section. These are the men who have the power to write the interpretations and the rulings that override the actions of the splendid men, the gentlemen who are trying to do a good job down there in O. P. A. When we find fault, we are directing our criticism toward these lawyers and these economists whom the gentleman from Texas knows are there and who are indulging in practices that indicate a determination to wipe out the profit system and small business rather than to control prices.

The SPEAKER. The time of the gentleman has expired.

#### EXTENSION OF REMARKS

(Mr. WOODRUFF of Michigan asked and was given permission to extend his own remarks in the RECORD.)

#### THE PRESIDENT OF BOLIVIA, GEN. ENRIQUE PEÑARANDA

The SPEAKER. The Chair appoints as a committee to wait upon and escort the President of Bolivia into the Chamber, the gentleman from Massachusetts [Mr. McCORMACK], the gentleman from Massachusetts [Mr. MARTIN], the gentleman from New York [Mr. BLOOM], and the gentleman from New Jersey [Mr. EATON].

Under previous order of the House, the Chair declares the House in recess, subject to the call of the Chair.

Thereupon, at 12 o'clock and 32 minutes p. m., the House stood in recess, subject to the call of the Speaker.

During the recess the following occurred:

The President of Bolivia and his party entered the Chamber at 12 o'clock and 51 minutes p. m., and the President of Bolivia was escorted to the Speaker's rostrum by the committee of Representatives appointed for that purpose.

The SPEAKER. Members of the House of Representatives, today it is my great pleasure, and I deem it a high privilege, to welcome into this Chamber a distinguished citizen from a friendly country in the Western Hemisphere. We in this Hemisphere more than ever before should know each other, our problems, and our mutual interests. Therefore, Mr. President, at this time especially we are glad to welcome you. Members of the House of Representatives, I present to you the President of the great Republic of Bolivia.

The PRESIDENT OF BOLIVIA. Mr. Speaker, Members of the House of Representatives of the United States, it is indeed a great honor for me to come into this shrine of American liberties.

I assure you that I am sincerely moved, because I consider you the true representatives of the American people, and know that through you I am speaking to them. I am grateful, therefore, for this honor, and I thank you in the name of my country as well as in my own.

The Congress of the United States has always played a significant role in the historic and political life of this great Nation. It stands, essentially, for the sovereign power of the people, and today, especially, it symbolizes to the world at large not only the objective manifestation of that power, but a real assurance that all freemen—within and without the United States—will find in its midst staunch defenders of justice and right.

This Congress is the best example of that admirable system of checks and balances which makes it possible to safeguard and preserve a sovereign power that is zealous of its rights and, at the same time, respectful of the limitations of its own privileges.

It is to such a harmonious balance of powers that we may trace the origin of

your democratic institutions, the security of your citizens, and their prized equality before the law.

I, too, represent a Republic that is proud of its genuine democratic tradition; a Republic whose birth was influenced by the lofty ideals that your own War of Independence and the French Revolution had just spread throughout the world.

No sooner was Bolivia's independence proclaimed than the nation was forced to struggle, in its first Congress of 1825, against material obstacles that at times caused men of little faith to lose confidence in the future. However, once those turbulent manifestations of a period of transition were over, it was evident that the Bolivian democratic consciousness was strong and deep-rooted. In the darkest days of her history, Bolivia, thanks to her own people, kept hope alive, and saw new life come to the nation through its Parliament and its Constituent Assemblies.

It had to be so, because the flame of Bolivia's republican spirit had never been extinguished; rather, it burned brighter, once the momentary shadows had been dispelled.

That light keeps shining today, perhaps brighter than ever. In dark moments like the present, when the strength and the wisdom of democratic convictions have been questioned, I am proud to say that Bolivia has reaffirmed her faith with unfaltering confidence and determination. As a result, my country has offered to you the sum total of her resources and her support in the vital struggle in which you are now engaged.

Bolivia was one of the first nations to break diplomatic relations with the Axis, and only a few days ago, moved by democratic fervor and the desire to make its material and moral collaboration with the United Nations even more effective, it declared the existence of a state of war with the Axis Powers.

As I face you, the lawmakers of the most powerful democracy, I cannot but recognize the solemnity of the moment.

We have come to a halt in the road. We are fighting aggression and violence. Our most cherished ideals are threatened, and somber fears darken the outlook for the future of humanity.

We are fighting to defend those ideals. Your soldiers have made them their battlecry and are struggling bravely to win or die for them. Perhaps, even more than material strength, it is their conviction of the justice of their cause that keeps them marching forward. That is why victory shall be theirs.

Yet, hard and heroic though the task of those warriors may be, no less hard and heroic a task awaits the lawmakers of America. Their deliberations today will determine the decisions to be made at the hour, already near, when justice is restored and when peace once again reigns among men of good will.

This is indeed a most significant moment. There is something in it that recalls the days of our republican infancy, when there were so many evidences of unity and fraternity. But

today the parliaments of our continent are isolated, without contact. Until now we have lived in this great island, America, without knowing each other. Perhaps our only bond has been the identity of our democratic ideals.

Now that an era of closer political, cultural, and economic interchange has, fortunately, been initiated, it is the task of the lawmaking bodies of the New World to strengthen our ties of friendship and understanding by playing an ever increasing role in the external relations of our countries. This could be accomplished through an American inter-parliamentary union.

We are governments of the people and by the people. It is for the people, therefore, to decide the future by seeking inspiration in the conscience with which God has endowed every human being and which finds its purest expression when liberty and justice shine triumphant upon the earth.

At 1 o'clock and 4 minutes p. m. the President of Bolivia and his party departed.

#### AFTER RECESS

The recess having expired, the Speaker called the House to order at 1:05 o'clock p. m.

The SPEAKER. Without objection, the proceedings had during the recess of the House will be printed in the RECORD.

There was no objection.

#### SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 796. An act relating to the use and operation by the United States of certain plants in the interests of the national defense; to the Committee on Military Affairs.

#### ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1860. An act to provide for the payment of overtime compensation to Government employees, and for other purposes;

H. R. 1936. An act to provide for the expansion of facilities for hospitalization of dependents of naval and Marine Corps personnel, and for other purposes; and

H. J. Res. 115. Joint resolution making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for other purposes.

#### BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 1860. An act to provide for the payment of overtime compensation to Government employees, and for other purposes;

H. R. 1936. An act to provide for the expansion of facilities for hospitalization of dependents of naval and Marine Corps personnel, and for other purposes; and

H. J. Res. 115. Joint resolution making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for other purposes.

#### TREASURY-POST OFFICE APPROPRIATION BILL, 1944—CONFERENCE REPORT

Mr. LUDLOW. Mr. Speaker, I call up the conference report on the bill (H. R. 1648) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1648), making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 6, and 25; and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$57,600,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$21,510,935"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "Provided, That the office of Comptroller of Customs at San Francisco, California, is hereby abolished. The duties imposed by law and regulations upon the said Comptroller of Customs, his assistants and deputies, are hereby transferred to, imposed upon, and continued in positions now established in the Customs Service by or pursuant to law, as the Secretary of the Treasury by appropriate regulations shall specify; and he is further authorized to designate the title by which such positions shall be officially known hereafter. The Secretary of the Treasury, in performing the duties imposed upon him by this paragraph, shall administer the same in such manner that the transfer of duties provided hereby will not result in the establishment of any new positions in the Customs Service: *Provided further*, That no interior port of entry shall be closed"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$1,150,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows:

In lieu of the sum proposed insert "\$578,450"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$467,500"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$795,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$134,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$276,540"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "seven hundred and eighty-five"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$2,902,160"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$1,030,700"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "three hundred and forty"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$822,600"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$8,650,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 8, 17, 18, and 26.

LOUIS LUDLOW,  
EMMET O'NEAL,  
GEORGE H. MAHON,  
JAMES M. CURLEY,  
JOHN TABER,  
FRANK B. KEEFE,  
HENRY C. DWORSHAK,

*Managers on the part of the House.*

KENNETH MCKELLAR,  
MILLARD E. TYDINGS,  
PAT MCCARRAN,  
J. W. BAILEY,  
H. C. LODGE, JR.,  
WALLACE H. WHITE, JR.,

*Managers on the part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1648) making ap-

propriations for the Treasury and Post Office Departments, for the fiscal year ending June 30, 1944, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

#### TITLE I—TREASURY DEPARTMENT

Amendments Nos. 1 and 2: Reported in disagreement.

Amendment No. 3: Appropriates \$163,760 for the Division of Tax Research as proposed by the Senate, instead of \$116,000 as proposed by the House.

Amendment No. 4: Appropriates \$90,165 for the Office of Tax Legislative Counsel as proposed by the Senate, instead of \$74,700, as proposed by the House.

Amendment No. 5: Deletes superfluous language as proposed by the Senate.

Amendment No. 6: Appropriates \$271,000 for miscellaneous expenses, as proposed by the Senate, instead of \$274,300, as proposed by the House.

Amendment No. 7: Limits the amount to be expended for "expenses of loans" to \$57,600,000, instead of \$57,000,000, as proposed by the House, and \$58,600,000 as proposed by the Senate. The amount of the appropriation is to be allotted to agencies and activities of the Treasury Department in such manner and in such proportion as the Secretary of the Treasury may direct.

Amendment No. 8: Reported in disagreement.

Amendment No. 9: Appropriates \$21,519,935 for the Bureau of Customs, instead of \$22,525,535 as proposed by the Senate, and \$20,481,585 as proposed by the House.

Amendment No. 10: Abolishes the office of comptroller of the customs at San Francisco, Calif., instead of abolishing all offices of comptrollers of the customs as provided by the House, and provides that no interior port of entry shall be closed.

Amendment No. 11: Appropriates \$1,150,000 for the Bureau of Narcotics instead of \$1,200,000 as proposed by the Senate, and \$1,100,000 as proposed by the House.

#### TITLE II—POST OFFICE DEPARTMENT

Amendment No. 12: Appropriates \$578,450 for salaries, office of the First Assistant Postmaster General, instead of \$586,900 as proposed by the Senate, and \$570,000 as proposed by the House.

Amendment No. 13: Appropriates \$467,500 for salaries, office of the Second Assistant Postmaster General, instead of \$475,000 as proposed by the Senate, and \$460,000 as proposed by the House.

Amendment No. 14: Appropriates \$795,000 for salaries, office of the Third Assistant Postmaster General, instead of \$810,000 as proposed by the Senate and \$780,000 as proposed by the House.

Amendment No. 15: Appropriates \$134,000 for salaries, office of the Solicitor, instead of \$138,000 as proposed by the Senate and \$130,000 as proposed by the House.

Amendment No. 16: Appropriates \$276,540 for salaries, office of the Chief Inspector, instead of \$281,000 as proposed by the Senate and \$274,320 as proposed by the House.

Amendments No. 17 and 18: Reported in disagreement.

Amendment No. 19: Authorizes employment of 785 post-office inspectors instead of 760 as proposed by the House and 835 as proposed by the Senate.

Amendment No. 20: Appropriates \$2,902,160 for salaries of post-office inspectors instead of \$3,025,500 as proposed by the Senate and \$2,840,500 as proposed by the House. Deletes a provision limiting the employment of 25 post-office inspectors to a period of 1 year proposed by the House.

Amendment No. 21: Appropriates \$1,030,700 for travel and miscellaneous expenses of the

postal-inspection service instead of \$1,089,200 as proposed by the Senate and \$1,001,450 as proposed by the House.

Amendment No. 22: Authorizes employment of 340 clerks instead of 336 as proposed by the House and 347 as proposed by the Senate.

Amendment No. 23: Appropriates \$822,600 for salaries of clerks instead of \$815,000 as proposed by the House and \$835,900 as proposed by the Senate.

Amendment No. 24: Appropriates \$8,650,000 for salaries of clerks at third-class post offices instead of \$8,700,000 as proposed by the Senate and \$8,600,000 as proposed by the House.

Amendment No. 25: Includes the words "and airmail" in the title of the appropriation for star-route service in Alaska to describe properly the functions supported by the appropriation.

Amendment No. 26: Reported in disagreement.

#### Amendments in disagreement

The following amendments are reported in disagreement and, as to those in which the managers on the part of the House are in agreement, the motion to be made is indicated:

Amendment No. 1: Deletes a provision, included in the bill by the House, prohibiting the expenditure of any appropriation in the bill for carrying out the provisions of the Silver Purchase Acts.

Amendment No. 2: Increases the appropriation for "Foreign funds control" from \$3,100,000 to \$3,800,000.

Amendment No. 8: Authorizes the payment of mileage for use of personally owned automobiles to employees of the War Savings staff. The managers on the part of the House will offer a motion to concur in the Senate amendment with an amendment limiting the authority to regular field employees of the staff.

Amendment No. 17: Authorizes the employment of a temporary expert by contract or otherwise without regard to section 3709 of the Revised Statutes or civil-service laws.

Amendment No. 18: Increases the appropriation for the Bureau of Accounts, Post Office Department, from \$133,640 to \$300,000.

Amendment No. 26: Provides for a study by the Director of the Budget and the Postmaster General of the use of the mails by agencies in the executive branch of the Government, the report on such study to be filed within 60 days of the passage of the act, in lieu of the provision included by the House prohibiting the use of any funds in the bill for carrying penalty mail.

LOUIS LUDLOW,  
EMMET O'NEAL,  
GEORGE MAHON,  
JAMES M. CURLEY,  
JOHN TABER,  
FRANK B. KEEFE,  
HENRY C. DWORSHAK,

*Managers on the part of the House.*

Mr. LUDLOW. Mr. Speaker, your conferees have brought back four substantive controversial provisions for the judgment of the House. Those will be taken up in the regular order, which provides for an hour's discussion of each proposition.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, the conference report itself is signed by the members of the committee, and therefore I shall not ask for a vote upon it. I do want to call attention to the fact that the organization under Mr. Graves

that is selling Government bonds is indulging in operations that are very destructive of the efforts to sell Government bonds and are interfering very much with the interest people throughout the country are taking in those efforts.

It has been brought to my attention that a very prominent farm leader a little while ago was asked to speak on the radio with reference to the April drive. He was asked to submit his proposed speech to this division for their consideration and after a few days received a letter from the Office of War Information telling him how he should write his speech and telling him how he should promote such things as the Social Security Act, such things as have been very controversial in this country, such things as were originated by Prince Bismarck in Germany many, many years ago. This resulted in no speech.

When an outfit that is entrusted with that kind of a job continues to try its very best to create situations and disputes among the American people, it is about time it is brought up short. It shows that no mistake was made by the House in cutting the appropriations for this outfit and indicates that they should have had a larger cut than was imposed upon them.

I am hopeful that as a result, perhaps, of what I am calling attention to at this time this outfit will pay more attention to selling Government bonds and less to promoting controversial activities in connection with that activity.

The letter that was sent to this gentleman was signed by a man named Harry C. Levin, Regional Radio Director of the O. W. I. in New York City.

Mr. LUDLOW. Mr. Speaker, this report is a unanimous report by the committee of conference, and I move its adoption.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 1: On page 3, line 19, strike out the following:

"No part of any money appropriated by this act shall be used, directly or indirectly, during the fiscal year 1944, for the purchase or procurement of silver under the provisions of the Silver Purchase Acts, namely, the act of June 19, 1934, and the act of July 6, 1939, or for the carrying out of any of the provisions of said Silver Purchase Acts."

Mr. LUDLOW. Mr. Speaker, I move that the House recede and concur in the Senate amendment, and yield myself 10 minutes.

When the Treasury-Postoffice Departments' appropriation bill was before the House under the 5-minute rule the gentleman from New York [Mr. Celler] offered the following amendment, which was adopted:

No part of any money appropriated by this act shall be used, directly or indirectly, during the fiscal year 1944, for the purchase or procurement of silver under the provisions of the Silver Purchase Acts, namely, the act of June 19, 1934, and the act of July 6, 1939, or for the carrying out of any of the provisions of said Silver Purchase Acts.

The Senate struck out this amendment. I have moved to recede and concur in the Senate amendment.

I ask you to support the motion to recede and concur because this provision would have a harmful effect on the administrative operations of the Treasury Department in this time of war and grave emergency when the smooth and efficient operation of that department is most important. The Treasury Department submitted the following statement to the Senate Appropriations Committee:

It appears that although the enactment of this provision would not have the effect of repealing either the Silver Purchase Act of 1934 or section 4 of the act of July 6, 1939, it would have the effect of hampering—and perhaps, even preventing—the carrying out of many of the provisions of both of these acts. Many of the functions of the Bureau of the Mint in acquiring and handling silver, and of the Bureau of Engraving and Printing in issuing silver certificates are paid for out of the Treasury appropriation. So, too, are the salaries of some of the people engaged in administering the operations of the silver acts.

This House provision which the Senate amendment seeks to eliminate does not repeal the Silver Purchase Act. It temporarily nullifies it. It strangles its operations for the next fiscal year. It leaves the Secretary of the Treasury in the ridiculous situation of being still under a mandate from Congress to purchase silver until the accumulation of silver is one-fourth of the total monetary stocks or until the price of silver reaches 1.29 an ounce. As there is no prospect that either one of these objectives will ever be reached the mandate continues and will continue until it is repealed in the regular way, but this amendment would take away from the Secretary of the Treasury all of the money necessary to do the things Congress has ordered and is ordering him to do.

If the Silver Purchase Act is to be repealed it should be repealed after thoughtful consideration by a legislative committee of all of the various factors involved in such repeal and the committee should provide whatever legislative safeguards might be necessary to ward off the harmful effects that are bound to come from an abrupt termination of the appropriation as is here proposed.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. LUDLOW. Yes.

Mr. SMITH of Ohio. Does the Celler amendment in any way interfere with the use of silver for war purposes?

Mr. LUDLOW. It interferes very drastically with the operations of the Treasury Department, as I shall explain later on.

Mr. SMITH of Ohio. But it does not interfere with the use of silver for war purposes?

Mr. LUDLOW. As I understand there is a certain allocation of the accumulation of silver to the War Production Board. I do not know that it would interfere with that arrangement that has been made, and I am not arguing it from that standpoint.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. LUDLOW. Yes.

Mr. MURDOCK. Do I understand the gentleman to say that there are two important reasons why this Senate amendment should be concurred in by the House? One is that to put the amendment into enactment would cripple the proper operation of the Treasury Department without any material benefit and without repealing the legislation objected to by the authors of the amendment?

Mr. LUDLOW. That is correct.

Mr. MURDOCK. And also that the amendment the Senate threw out is really legislation on an appropriation bill? If so, it ought not to have been permitted here in the first place.

Mr. LUDLOW. I think the gentleman has correctly stated the two main objections to this proviso.

Mr. MURDOCK. I hope the House will concur in the Senate amendment.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. LUDLOW. Yes.

Mr. O'CONNOR. Is it not a fact that silver's contribution to the war effort to a considerable extent has permitted the mining and production of copper and zinc, so essential to the war effort, at a much lower price than those metals could be produced, were it not for the production of silver?

Mr. LUDLOW. I think that is true.

The adoption of the House language in the pending appropriation bill would cause utter confusion in the administration of the Treasury Department. The officials of that Department are so deeply concerned over the chaos that would be precipitated that they have sent me two letters pleading with the House to accept the Senate amendment. I want the House to listen to a letter I have received today from Daniel W. Bell, the Under Secretary of the Treasury. I read from it as follows:

A number of important questions are left in doubt by the above amendment. The Department has been studying these problems and I believe you will see our position more clearly if they are presented to you in some detail. Accordingly, I am taking this opportunity to indicate to you some of the more serious questions raised by the above amendment.

Foreign silver purchased pursuant to section 3 of the Silver Purchase Act of 1934 is acquired through the Federal Reserve Bank of New York as fiscal agent of the United States. Expenses incurred by that bank are considered a part of the cost of the silver purchased. Silver certificates are then issued against a sufficient quantity of the silver purchased to cover the cost. To this extent the expenditures incidental to the acquisition of silver under the Silver Purchase Act of 1934 are not charged against Treasury appropriations.

The Treasury Department, however, pays the cost of printing and issuing these silver certificates out of its annual appropriations. Section 5 of the Silver Purchase Act of 1934 requires the issuance of silver certificates in a face amount not less than the cost of all silver purchased under that act. Consequently, each purchase of silver under section 3 involves the costs of printing and issu-

ing certificates, which costs are charged to the annual Treasury appropriations. The above amendment would appear to preclude the Department from using the appropriations for that purpose.

A tax of 50 percent on profits obtained from the transfer of any interest in silver bullion was established by section 8 of the Silver Purchase Act of 1934. The Bureau of Internal Revenue collects and administers that tax and the costs it incurs are paid out of its annual appropriation, which is included in H. R. 1648. This tax is one of the provisions of the Silver Purchase Act of 1934, and it would appear that the 1944 appropriation could not be used for the purpose of enforcing this provision if the above amendment is adopted.

Section 4 of the Act of July 6, 1939, directs the coinage mints to accept, at a specified return to the depositor, all newly mined domestic silver which is offered to them. The mints must first satisfy themselves that the conditions of the law have been met, and this requires investigations which frequently extend over a period of several months after the deposit is received. All of the expenses involved in investigating deposits and determining whether there has been compliance with the conditions of the statute and the regulations are paid out of annual Treasury appropriations. These payments would appear to be prohibited by the amendment adopted by the House. Moreover, it is possible that the mints would not be able to make adequate determinations in cases where deposits are received prior to June 30, 1943, but with respect to which investigations will not have been completed on that date.

In addition, there is a difficult problem which cuts across all of the provisions of both of the acts mentioned in the above amendment. There are numerous employees of the Treasury Department whose salaries are paid out of the annual Treasury appropriations, who spend varying amounts of time in carrying out the provisions of those acts. The language of the amendment prohibits the use of the 1944 appropriation "directly or indirectly" for the specified purposes. There is considerable doubt, therefore, whether the Department would be able to continue to pay their salaries, in whole or in part, in the event that the amendment should be enacted and they should continue to perform such duties.

The provision cutting off the appropriation to enforce the Silver Purchase Act is really legislation disguised in the form of a limitation. Our friends who are champions of this provision have inveighed time and again against legislative riders on appropriation bills, and have offered amendments to strike such riders, as in the case of the recent Department of Agriculture appropriation bill, yet in this particular instance they are in reverse form and are seeking to accomplish by indirection what should be handled as legislation through a legislative committee. This provision has no place on an appropriation bill. It applies only to the appropriation for the next fiscal year. If it should be decided year after next to reinstate the appropriation new personnel would have to be trained to perform the functions under the Silver Purchase Act as the old personnel would have been completely wrecked—starved to death. That is no way to handle such an important matter. It can be approached satisfactorily only from the standpoint of permanent legislation and not in this temporary, whimsical fashion. In these

times of great national emergency the Treasury Department has enough to engage its attention without having to cope with the confusion and administrative handicaps which this provision would create. I ask the House to heed the solemn warning of the Treasury Department and adopt my motion to recede and concur in the Senate amendment.

Mr. GRANGER. Mr. Speaker, will the gentleman yield?

Mr. LUDLOW. Yes.

Mr. GRANGER. As I understand, the gentleman is opposed to the Silver Purchase Act, but he thinks this is an unwise way in which to approach the subject?

Mr. LUDLOW. I am not undertaking to argue either the merits or the demerits of the Silver Purchase Act, but I am objecting very strenuously to the method of repealing a law by denying an appropriation, and I think we ought to pursue a constructive attitude instead of an obstructive attitude toward the operations of the Treasury Department in these days of great stress and emergency.

Mr. GRANGER. And in view of what the Secretary said, it would hamper the war effort if it hampered the purchase of commercial silver, would it not?

Mr. LUDLOW. I think it would hamper the war effort all along the line.

I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, there is a remarkable thing about this amendment. The Treasury Department knew what this amendment was away back in January, when the bill was passed by the House. When the bill was over in the Senate the Senate Committee on Appropriations held hearings. I have those hearings in my hand. Not one single word was said there about the silver purchase amendment.

Mr. LUDLOW. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. LUDLOW. The gentleman evidently has made a mistake in his inspection of the Treasury note. In the copy that I have before me of what the Treasury Department sent up to the Senate, on the first part of the first page this matter is discussed.

Mr. TABER. I beg the gentleman's pardon. The gentleman is correct. I thought that referred to another amendment. Then a letter came from the Treasury Department dated the 25th of March, and not a single word is in that about the matter. It is apparent to me that if the Treasury Department regarded this as a major item, they would have had something to say about it, and developed a case if they had any before the Senate committee. Here is the situation. The Treasury Department is buying silver at a price of 77 cents an ounce, as I understand it, far beyond what the market price of silver is elsewhere, far beyond what it would run if it was allowed to get to its own level.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. ROBSION of Kentucky. What is the market price of silver?

Mr. TABER. It is almost impossible to tell. The foreign market price is away down, something like 25 cents. It would be lower than that if we did not have the support program and that sort of thing here. We go ahead with a support program for silver, the only metal for which there is a definite, positive support program. There is no other way to stop it than by a rider on an appropriation bill. That will stop it. These activities with reference to the purchase of silver will just have to be stopped, if no one is paid for operating the act. That is just what will happen. It will not do any damage to the Treasury. On the other hand, instead of gathering in a great quantity of silver at 77 cents an ounce, we will be rid of that operation. That is the picture that we are presented with. If we retain this amendment, that simply provides that during the fiscal year 1944 no part of the money appropriated in the act shall be used directly or indirectly during the fiscal year 1944 for the purchase or procurement of silver.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. TABER. May I have 2 additional minutes?

Under the provisions of the Silver Purchase Act, namely, the act of June 19, 1934, and the act of July 6, 1939, or for the carrying out of any of the provisions of said Silver Purchase Act.

That does not mean that silver cannot be sold. That does not mean that it cannot be protected, but it does mean that they will have to stop buying silver. That is just what the House of Representatives wanted to do when it adopted that amendment. It will not interfere with any legitimate activity of the Federal Government. The amendment is perfectly clear, perfectly plain, and it will do the job and it will do no possible harm.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. TABER. I yield.

Mr. ROBSION of Kentucky. What is the amount of silver that the United States Government has on hand?

Mr. TABER. It has on hand silver to the extent of 1,174,028,371.8 ounces in bullion silver.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. LUDLOW. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. TABER. It has 358,561,952 ounces of silver in silver dollars. That silver has cost an average of over a dollar an ounce altogether. At the present time they are buying it at 77 cents.

Mr. ROBSION of Kentucky. Are we selling this silver to other governments?

Mr. TABER. Oh, no. There is no demand for it. We have an enormous storage of it up at West Point.

Mr. ROBSION of Kentucky. Are we increasing the volume that we have on hand?

Mr. TABER. Oh, yes, all the time. They are issuing silver certificates against it. These things represent dollar bills that we carry in our pockets, as

a general rule, on the basis of about \$1.35 an ounce. These certificates are redeemable only in silver.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. SMITH of Ohio. Can you state a single benefit that is derived from the purchase of this silver except payment to the silver producers of the West in the form of subsidies?

Mr. TABER. There is no benefit.

Mr. SMITH of Ohio. Is there any single benefit derived from this Silver Purchase Act?

Mr. TABER. There is none. Some people have said that there was a profit on account of the issuance of silver certificates, but that is not true. There is no profit.

Mr. SMITH of Ohio. Is it not a fact also that the purchase of silver is one of the most inflationary measures that this country has adopted?

Mr. TABER. It is and it is a very serious one.

Mr. O'CONNOR. Will the gentleman yield?

Mr. TABER. I yield.

Mr. O'CONNOR. I am sure, knowing the gentleman's idea of fairness, that if he were familiar with what we call marginal mines in the West, in the production of copper, where the production of silver is sort of a byproduct, that were it not for the policy of the Government in the purchase of silver as it has been inaugurated under the Silver Purchase Act, we today would have to close down those marginal mines, or else the Government would have to pay a much higher price for copper, zinc, and lead than it pays now.

Mr. TABER. They might have to pay a small amount additional for zinc, lead, and copper, but we would be rid of this terrific subsidy that goes to the American Smelting and Refining Co. and the United States Smelting and Refining Co.

Mr. O'CONNOR. That is one of silver's contributions to the war effort.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. LUDLOW. Mr. Speaker, I yield 5 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, I want to take these few minutes to speak on two different topics.

First, I want to speak on the question immediately before us, because it deals directly with concurring in the Senate amendment. I think it is clear from what the chairman of the subcommittee has said, and what we all realize, that when the amendment was put on in the House last March it was regarded then by the gentleman from New York, and he plainly said so, as a mere gesture. He had a determination that something ought to be done about silver, one way or another, so the amendment was put on. Now we are asking that it be taken out by receding and concurring in the Senate amendment. It had no business going into the bill originally, because plainly it is legislation on an appropriation bill, as the chairman has logically pointed out. I think it ought to be removed for that reason alone. If there be an evil

in our silver policy, which I do not recognize, which this aims to cure, it ought to be cured in the proper way and not by this method.

Another thing I wanted further to emphasize in regard to this matter is that if the amendment remains in the bill and becomes an enactment, it will not accomplish what its author expected it would accomplish. It will not repeal the Silver Purchase Act. It will only hamper the Treasury. I feel sure that the entire membership has planned to vote to recede and concur in the Senate amendment as the logical and proper thing to do in answer to the request of the Treasury Department.

Now let me turn to something else. The gentleman who preceded me, the gentleman from New York [Mr. TABER], presented one of these documents, which, fortunately, I have in my pocket—a \$1 bill, a silver certificate. Out of all the discussion I have heard in this Chamber belittling silver, I have never yet heard of a Member refusing to accept one of these from the sergeant-at-arms. I regard this as a dollar bill. It will buy 100 cents' worth of consumable goods for me. I am perfectly willing to accept my salary in such. If I were a merchant or a businessman I would be perfectly glad to accept everyone of these as 100 cents.

We have heard a great deal of fallacy in this Chamber lately in regard to many things, such as forgiving taxes without loss to the Treasury, Uncle Sam's going into debt to acquire silver bullion, and the like.

Suppose a miner brings 100 ounces of pure silver to Uncle Sam. Some of you would say Uncle Sam is a fool if he pays more than thirty or thirty-five dollars for the bullion. I say Uncle Sam is wise to acquire the 100 ounces, issue thereon 129 of these \$1 bills, give the miner 71 of those bills in payment for the silver, and use the others to buy \$58 worth of guns and ammunition to fight this war.

But I want to tell you that this piece of green paper is worth 100 cents in anybody's goods or services and in this money silver is valued at the rate of \$1.29 per ounce. When it is contended in this House that we are subsidizing silver, that Uncle Sam is giving away a lot of money when he pays 71 cents an ounce for the silver, such Members simply ignore arithmetic. I want to say that when Uncle Sam buys silver at 71 cents an ounce and coins it into money or puts it out in this form Uncle Sam is making a profit on it, a huge profit of 45 percent on the deal.

Mr. MANSFIELD of Montana. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I yield.

Mr. MANSFIELD of Montana. I should like to have the gentleman from Arizona answer this question: Whether we will have at the end of the present year a national debt far in excess of \$200,000,000,000?

Mr. MURDOCK. That is probably correct.

Mr. MANSFIELD of Montana. And we have something like twenty-nine or thirty billion dollars in gold that could be used to back up that particular debt?

Mr. MURDOCK. I believe that is about right.

Mr. MANSFIELD of Montana. Why is it not feasible, then, to keep on buying silver at this arbitrary price just as we buy gold at an arbitrary price and use that for backing up the War Savings and Defense bond certificates we are selling at the present time?

Mr. MURDOCK. It sounds logical to me. I believe the gentleman is exactly correct about that. Instead of calling that pile of silver which we have at West Point superfluous I feel it should be called one of our greatest national assets.

We have just listened today to a gentleman from Latin America, President Penaranda. We know that all through Latin America the white metal is more desirable even than the yellow metal. Let me tell you that the gold which Columbus and his followers took back to the Old World from the New was white, not yellow; it was silver, not the gold about which we read in the textbooks. When we are sitting around the council table dealing with Latin America, to say nothing of China and India, we shall be at a great advantage by having in our possession the greatest stock of silver ever collected on earth. That is our national asset, yet there are some who would dissipate it by changing the general law in regard to the matter.

The SPEAKER pro tempore. The time of the gentleman from Arizona has expired.

Mr. LUDLOW. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. MANSFIELD of Montana. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I yield.

Mr. MANSFIELD of Montana. I am glad the gentleman brought out the facts he did about India, Latin America, and China. We know that their standard is silver, not gold. What good would it do us to corral all the gold in the world if we will be the only country that remains on the gold standard?

Mr. MURDOCK. We must have more hard money rather than less—but not go exclusively to gold.

My other colleague from Montana [Mr. O'CONNOR] spoke a moment ago about copper, lead, and zinc mines in connection with silver production. I should like to amplify that if I had the time, but all I can say now is that if you stop silver mining entirely you will stop the mining of strategic copper, lead, and zinc, or force a much higher price for them.

Mr. ENGLEBRIGHT. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I yield.

Mr. ENGLEBRIGHT. Will the gentleman clear up this point: Does the Treasury or the Congress of the United States appropriate any money to buy this silver? Or is it paid for under the coinage rights of the Constitution of the United States?

Mr. MURDOCK. I thank the gentleman for asking me that question. The question brings out very clearly an important point that the Committee on Appropriations does not appropriate money to buy silver; it constitutes the money for its own purchase and now yields a big profit as seigniorage.

The SPEAKER pro tempore. The time of the gentleman from Arizona has again expired.

Mr. LUDLOW. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I agree with the gentleman that the silver certificates we have are worth 100 cents if you can have the points issued by the O. P. A. to buy the necessary food. If you do not have the points, your silver certificate is not worth very much. But let me refer for a moment to what the gentleman said about our monetary policy as it related to India, China, and some of the other countries where they have been using silver as their historic monetary metal. It is to be regretted that the policy inaugurated in the United States took the people of Mexico, India, and China off the silver standard. In fact, we paid such a high price for silver in this country that they melted up their coins, and sold their bullion silver to the United States because it was more profitable for them to sell their silver to us than to keep it for money. Now we have most of the silver that should have been retained in those countries and they are operating on a paper money for the lack of silver.

Mr. MANSFIELD of Montana. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. MANSFIELD of Montana. That might be true in the case of China, but insofar as Mexico is concerned it produces one-tenth of the world's silver and does not need to melt down its dollars for sale to this country.

Mr. AUGUST H. ANDRESEN. About 10 years ago we put such a high price on the silver that they produced in Mexico and these other countries that they sold it all to the United States Treasury. What is the situation today? We are paying domestic producers 71 cents an ounce for silver, and all foreign silver has gone down to from 35 cents to 45 cents an ounce.

The administration is working on a plan to establish an international bank and to control the money of the entire world through an international banking group. I notice that this group does not take into consideration the real value of silver. They want to deal with gold or paper money. In fact, the British want to have a new medium of exchange called *bancor*, and the Treasury Department has its scheme where they are going to call the new unit of value *unitas*. So we may be going on a new system of domestic and international currency. At a later date I hope to have the opportunity of discussing both of these systems. Those who are friendly to silver better get down to a real American policy of handling this metal so that we can let the other countries in the world keep some silver to do business with rather than take it all away from them by unsound price and monetary policies formulated by experts who are not particularly interested in anything but their own theories.

Miss SUMNER of Illinois. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. Some time ago it was said that when the United

States Government initiated its silver policy it caused runs on the banks in China. Today we hear of increased inflation in China and in currency. Does the gentleman know whether there is any correlation between that inflated currency exchange in China today and the continued insistence of the silver-buying policy of America? I am just asking the question for information.

Mr. AUGUST H. ANDRESEN. There is no question about there being some relation to it, because before we lowered the price paid for foreign silver, we purchased most of the silver that they had in China and India, and those countries went on a paper currency, which caused a decided inflation.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LUDLOW. Mr. Speaker, I yield 5 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker, first of all, the carrying out of the Silver Purchase Act does not cost the taxpayers of this country 1 cent. I want to get this thought over to you as practical men. There are no silver-producing mines in the United States today such as we had in years gone by. The only production of silver we have today is by way of a byproduct in connection with the production of copper, zinc, and lead.

Mr. ENGLEBRIGHT. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from California.

Mr. ENGLEBRIGHT. I may say to the gentleman that we produced considerable silver from the gold mines of the West prior to the time they closed down.

Mr. O'CONNOR. The gentleman is also to a certain extent right. I want to call attention to the further fact that most of our copper is produced from the mines of three States in the United States, Arizona, Utah, and Montana.

Mr. SULLIVAN. And Nevada.

Mr. O'CONNOR. Nevada and a little in Idaho, but not to any great extent. Now, then, 18 percent of the silver produced in the country is produced by way of a byproduct to the production of copper alone.

I call your attention to the fact that the Anaconda Copper Co. owns the great producing mines in Butte, Mont., and they are very deep and expensive of operation. These mines produce copper, zinc, lead, and silver and silver predominates next to copper. You will understand that it costs little to take the silver from the copper ore. Consequently the sale of the silver permits the operation of these mines on a lower price for copper, lead, and zinc.

Were it not for the Silver Purchase Act and the price that they get for silver, I question very much whether those mines could be operated today on the basis of the present price of copper, and when I said a few moments ago that the contribution of silver to our war effort, if nothing else, is sufficient to justify the continuance of the purchase act, I did so for the reason that it holds down the price that the Government has to pay for copper, zinc, and lead, the essential materials for carrying on the war.

Mr. MANSFIELD of Montana. Will the gentleman yield?

Mr. O'CONNOR. I yield to my colleague the gentleman from Montana.

Mr. MANSFIELD of Montana. Will the gentleman agree with me when I say that the Butte Hill was originally a silver discovery and as the silver played out deposits of copper were found?

Mr. O'CONNOR. Exactly.

Mr. MANSFIELD of Montana. What would be the position of this country today if the Butte Hill was not producing?

Mr. O'CONNOR. If the Butte Hill was not producing copper today, you would be absolutely at a loss for copper, the most essential raw material that we now have, and we would be sunk.

Mr. MURDOCK. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Arizona.

Mr. MURDOCK. Bearing out the gentleman's statement of the connection between silver and strategic metals, is it not true that the mining industry has been greatly perturbed during the past few weeks, understanding that if the price of silver is changed they will have to close down some copper, lead, or zinc mines, or else they must get higher prices for those metals?

Mr. O'CONNOR. There is no question about that. I want to tell you one other thing. This is not a subsidy at all, but if it were, it would be justified during this emergency. We subsidize a lot of things that the country needs.

Let me tell you something else. If you cut out this Silver Purchase Act or nullify it you will put our miners on a basis of competing with the Latin-American countries in the production of copper, zinc, and lead and you will lower the standard of living of your American miner down to the standard of living of them. They do not pay within 70 to 90 percent of the scale of wages that is paid to the miners in this country.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I would like to have the gentleman explain to me the philosophy back of the action of the administration in closing down gold mines in the country, then encouraging foreign producers to produce more.

Mr. O'CONNOR. Gold is not supposed to be an essential war material. That is one reason. In closing down the gold mines, as the gentleman from California pointed out, you are decreasing the production of silver.

Personally, I think it was a mistake for the Government to close down gold-producing mines. We will need this gold and movements are on foot now to have that policy changed.

The distinguished gentleman from Arizona held up a dollar bill. Let me tell you something. This is just a pure business proposition. The Treasury purchases from the miner 100 ounces of silver for approximately \$71.10. It issues 71 dollar bills to pay for the 100 ounces, and puts away in the vaults 58 ounces against which it may issue additional

money if it sees fit to. If we can purchase an article for 71 cents and be able to use it for trade or purchase at \$1.29, we would be simple fools if we did not carry that out.

Mr. ENGLEBRIGHT. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from California.

Mr. ENGLEBRIGHT. The gentleman says we purchase that silver. Does the gentleman mean we appropriate money with which to purchase it, or do we pay for it through the right of coinage under the Constitution of the United States?

Mr. O'CONNOR. We do not appropriate a dime; we do it through the process of coinage; and we are making money on every 100 ounces of silver so acquired.

As long as business and industry grows there is going to be a greater demand for hard money, and business and industry will grow as long as our economic world trade increases. If you will only think through this lease-lend program, you will see that that is a program that goes beyond this war. It goes to the future. It is going to increase trade with foreign countries. It, of course, will have to be changed. As we increase that trade, we must enlarge the volume of our hard money.

There is a very prevalent—but nevertheless erroneous—thought making itself heard that the leaders of the so-called silver bloc or anyone for that matter who supports the present silver purchase program is a traitor to his country. Nothing could be further from the truth.

The truth is that the opponents of this program, lead by the silversmiths, jewelry manufacturers, and other consumers of silver, have resorted to flooding the country with false and misleading propaganda against the present program. Specifically, take the recent article appearing in the Reader's Digest entitled "Twelve Men Against the Nation." That article, and others like it, purports to show that our silver policy has and is retarding the war effort. It is not only not retarding the war effort but is in fact actually helping the war effort in a supplemental way.

There is now in the offing the picture of a serious silver shortage if the present silver purchasing program is not carried on. Silver is becoming increasingly needed in the war effort and at the same time there is a general world-wide increased demand for silver as a medium of exchange. It behooves us to make certain that we have a sound monetary system to cushion the shock of deflation that will certainly come with the close of the war.

A year ago there was approximately \$11,566,000,000 in circulation or an average of \$86.15 per person. Today, that amount has jumped to \$16,251,000,000 or an average of \$120.04 per person. Now, the amount of money in circulation is going to increase—you can be sure of that—and, as it increases, people are going to lean more and more toward "hard money" as a medium of exchange. That has been the experience of every nation during a war in the past and it is what is actually happening in other countries right now during this war. Many of the

nations we are doing business with refuse to accept paper money from the soldiers but none refuse "hard money." That should dispel any and all doubt that silver as a medium of exchange is a fictitious metal. It is not—from time past silver has always been a standard medium of exchange. Here in our own country no great protest has as yet been made over the great amount of new money that is being poured out daily, but it is only a question of time until the people of this country are going to realize the fictitious nature of this added money and are going to insist on "hard money." When that day comes inflation will have hit the top of the ladder.

When the war is over both India and China will offer great fields for development. Both of these countries have always been silver-using countries, and right now Mexico clearly shows with what high regard her officials hold silver when they withhold a commitment of 22,000,000 ounces of silver. I do not need to tell you again that we are embarked on a course that will greatly enlarge our industrial and business growth.

More silver will be needed to support our paper currency as our business and industry growth enlarges. When the time comes that our trade, industry, and business cease to increase that will be plenty of time to change our silver policy. The price of silver is pegged at 71.11 per ounce here with foreign silver at 35.3 cents per ounce. Up until July 29, 1942, purchases of foreign silver for manufacturing purposes were allowed. Since that time the demands of silver for war use have been so great that the Government has abolished altogether such purchases since November 15, 1942, since which time no foreign silver has been permitted to be used in the manufacturing of luxury articles.

In 1942 there was over 110,000,000 ounces of silver imported as well as 60,000,000 ounces of domestically mined silver for use in war industries. That entire output of imported and domestic silver was at all times available for use in war materials. So that the charge that "the silver crowd will not let war industries use the one essential metal of which we have plenty" just does not hold water and in its last analysis can be seen for what it really is—just another publicity trick by the silver-using groups to muddy the waters so that the American people will not see the move they are making to get 50-cent silver instead of 71-cent silver.

In conclusion let me point out that were we to change our silver purchasing at this time we would close many marginal mines which produce silver as a byproduct in connection with the production of copper, lead, and zinc, where the ore is not rich in those minerals.

Mr. LUDLOW. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. SMITH of Ohio. I yield to the gentleman from New York.

Mr. TABER. I wonder if the gentleman can explain to the House how increasing the debt a dollar and getting an

asset into the Treasury worth 25 cents is making a profit.

Mr. SMITH of Ohio. I am sorry that question comes up at all. The arguments produced by those who favor striking out the Celler amendment are so sophisticated that they really do not deserve any consideration at all. It is folly to say that the Treasury buys this silver at 71 cents, coins it into \$1.29, and that this does not cost anybody anything, even that the Treasury makes a profit on it. What these men do not tell you is who pays for that profit. Certainly that profit is going to come from the pockets of American citizens somehow or some way.

The fact is that the difference between the fictitious monetary value of \$1.29 per ounce placed on silver and what the silver actually fetches on the world market, is simply inflation and nothing else. What these men are advocating is to continue the inflationary process that is involved in the Silver Purchase Act. This is one of the most vicious processes of inflation that is taking place at the present time, because it involves the standard unit of value. It is a pernicious process of debasement of our money.

The question has been brought up here about China. Let anybody go back and look at the record and see what the Silver Purchase Act did to China. It closed practically all of the banks in China and threw that country into a depression that was equally as bad as our own, if not worse. It was at that point that Japan struck China, when our Silver Purchase Act had made China vulnerable.

We have heard about the prospect of less copper being mined if this amendment is not concurred in. That argument is too absurd to merit serious consideration. To show how sophisticated are the arguments of the proponents of this silver-purchase program, it is to be noted that they have changed their position entirely. Formerly they argued silver producers did not receive a subsidy. Now they are openly admitting that they do receive a subsidy.

I repeat that the only benefit that comes from the Silver Purchase Act goes to the silver producers in the West. This is a selfish piece of legislation. It is one of the most diabolical pieces of legislation on the statute books of our country; there is no question about it. Let us be honest, open, and aboveboard. Because the silver interests in the Western States have a certain amount of power in this Congress, they can foist this fraud and deception upon the people.

Let me refer again to the difference between what is paid for silver and the price at which it is monetized. That ultimately resolves itself into a tax, a tax upon the people. To be sure, it is not levied directly, but indirectly, and it acts exactly as though it had been levied directly. Anybody can see that with just a little study.

I do not know just what inconvenience it may cause the Treasury if the Celler amendment is retained, and shall not discuss this point because I am not familiar enough with the conditions existing in the Treasury to do so, but the in-

convenience to the Treasury is infinitesimal compared with the damage the Silver Purchase Act is doing to the country. Therefore, let us stick to our guns, refuse to concur in the Senate amendment, and throw out one of the most vicious schemes of monetary debasement with which this country has ever been plagued.

Mr. LUDLOW. Mr. Speaker, I yield 5 minutes to the gentleman from New Mexico [Mr. ANDERSON].

Mr. ANDERSON of New Mexico. Mr. Speaker, I was greatly interested to hear the gentleman from Ohio telling how this great group of western men were so powerful that they were able to bring to this Congress a piece of legislation and crowd it down the throats of this Congress. There are exactly 17 people who by the greatest stretch of imagination could be considered in that group—2 from Arizona, 2 from Utah, 2 from New Mexico, 2 from Montana, 1 from Nevada, 1 from Wyoming, 4 from Colorado, 2 from Idaho, and I am going to add 1 from the State of California, God bless the gentleman from California [Mr. ENGLEBRIGHT]. Those 17 men are presumed to have been able to crowd this down the throats of 435.

Do you think that sounds sensible? Not in the slightest.

When this matter was up I never said one word on the floor of this House about it and did not have a great deal of interest in it. I have never been tremendously impressed by the argument that we had to keep the mines of the West open by this purchase of silver, because I recognize that if you drop the price of silver you have to increase the price of copper to keep these mines going. We do that when copper is a war necessity.

The chief reason why we wish to keep the silver price is that through its use it is not necessary to pay a higher price for copper in order that the mines may stay open. If you raise the base price 2 or 3 or 4 cents a pound for copper in the Southwestern States you automatically increase the national cost of copper by millions of dollars. It was a matter of economy to this country to pay, if the gentleman wants to so call it, a subsidy for silver in order to keep the base price of copper down. Those of us who sat on a subcommittee of five members this House appointed to deal with the price of metals may recall that the Office of Price Administration recognized that when we begged them not to increase the over-all price of copper, but to make special contracts at higher prices with marginal mines. Every member from every western State did that, because we recognized that in so doing that we saved money for this country.

I want to say a word about the subject the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] brought out, because he touched on the most important phase of this problem, and that is the international aspect. I want you to remember that very shortly we may all be sitting in a world-wide peace conference, and it is not well for America to throw away her pat hand and draw five new cards. The United States has 70 percent of the monetary gold in storage, and

it has 60 percent of all the monetary silver in storage. We must not forget that. We must then remember that Great Britain has 58 percent of the world's production of gold, but she has only 18 percent of the world's production of silver. We must recognize that the United States has so large a share of the world's supply of monetary gold and monetary silver that no world system of coinage or money, whether based on gold alone, or gold and silver combined, can ever be set up on a world-wide scale without the cooperation of the United States.

When we give that cooperation how are we going to do it? We have found out today that our hard metals are our greatest asset for international trade. When the men in China wanted to buy things they wanted silver. Why? Because there they have always been on a silver basis, and the greatest asset we have in dealing with them is our surplus of silver. Another strange thing has happened. For the first time we have men fighting on the north coast of Africa. Throughout the whole section of Asia Minor our Nation has had to ship silver in order to pay the fighting men, because the people of those areas have their monetary system based on silver. The same is true of India. The value of the rupee is so low in India it can be pegged only to silver, and if the United States is going to stay in this world-wide game, it needs both gold and silver in its campaign.

I am not talking about what people have referred to as the democratic policy. Let me remind the Republicans that in 1896 William McKinley ran on a pledge of bimetallism, with the ratio of gold and silver fixed by international agreement. Look at section 311 of the United States Code, and you will find there written into law the policy that we shall use both gold and silver, and surely we do not want to throw that away at the present time.

Fifty years ago we went to England and asked that nation to join us in a plan to carry out this bimetallism program. England was then not so very cooperative, because in 1816 she had gone on the single basis of gold and had thereafter become the banker and shipping master of the world. She did not, therefore, pay very much attention to the United States, but now we are in a different situation. We have the gold and the silver, and on the North American Continent 85 percent of all of the silver in the world is mined. We should not forget that when we sit down at a world peace table to decide what we shall favor as to the use of silver in any monetary scheme. In the meantime we should continue our silver program, which costs us nothing, and may be of great national importance.

The SPEAKER. The time of the gentleman from New Mexico has expired.

Mr. LUDLOW. Mr. Speaker, I yield 1 minute to the gentleman from Nevada [Mr. SULLIVAN].

Mr. SULLIVAN. Mr. Speaker, I am not a monetary expert and I doubt if there is one man in this House who is a monetary expert, and there are very, very few

in the United States. To thoroughly understand the big question that is under discussion here today would take months, but in amplification of the remarks of my distinguished colleague the gentleman from New Mexico [Mr. ANDERSON] I wish to state that in the settlement of the post-war currency problems, the United States, if it retains its present holdings of gold and silver, will be in a very powerful position. It owns about 70 percent of the monetary gold and well over 60 percent of the monetary silver of the entire world. Its holdings are so predominant that it is difficult to see how monetary systems, whether based on gold alone or gold and silver together, can be adopted on any world scale without the cooperation of the United States.

In the reestablishment of currencies and their rates of exchange, the best interests of the United States and of the world at large demand that silver be restored as a monetary metal and international bimetallism be adopted.

The SPEAKER. The time of the gentleman from Nevada has expired.

Mr. LUDLOW. Mr. Speaker, I yield now to the gentleman from Colorado [Mr. ROCKWELL].

Mr. ROCKWELL. Mr. Speaker, it is no wonder that Congress is watched with such curiosity by the newsmen and people of the country at large. There often seems no logic in their actions.

For instance, we all listened with sympathetic attention and approval to the President last Sunday night as he stated his case for the Nation against strikes in wartime and the reasons for not approving the \$2 a day raise in pay asked by the coal miners. The reason was to prevent further inflation.

Three days later Congress passed the Federal pay bill increasing the pay of all Federal employees from \$1 to \$2 a day, which will cost the taxpayers two-thirds of a billion dollars a year for increased salaries and wages to 1,800,000 Federal employees. How can we justify congressional approval of the President's action in turning down Mr. Lewis' claim that the additional wage asked by the miners is necessary to pay the increased cost of living, and yet graciously vote a like increase to every Federal employee, whether needed or not?

Today there is another reversal of form in the effort by some Members of Congress to close down the silver mines of our country, where some 30,000 metal miners are employed. One of the worst bottlenecks in the war effort has been the lack of certain strategic ores, especially copper and zinc, for war purposes. In my State, Colorado, these ores are not found except with silver.

During peacetime it would be bad enough to force these mines to close because, with few exceptions, silver mines in the United States cannot be operated at the world price of silver, but during wartime it would still further complicate this bottleneck of lack of zinc and copper. The only alternative would be to increase the price of these other metals which would make them more out of proportion to the world price than is silver.

In all this we must remember that the Silver Purchase Act does not cost the Government anything, and actually makes money for the Treasury. Also, I am told that our fighting men in countries like Africa or India, are paid in silver and gold because that is the only kind of money that the natives recognize. The promise to pay on a paper bill means nothing to them, but silver and gold always means purchasing power. It would be too bad if, by Executive order, we close the gold mines in the United States, leaving only Great Britain and other foreign countries to mine the gold supply for the world, and now by act of Congress close the silver mines so that Mexico and other countries will furnish the world with silver, leaving our great potential wealth buried because of lack of protection.

Let us hope that Congress will be consistent and not again change its course and force the western silver mines to close, at any time, especially during this difficult war period.

Mr. LUDLOW. Mr. Speaker, I yield the remainder of my time to the gentleman from Kentucky [Mr. O'NEAL].

Mr. O'NEAL. Mr. Speaker, the question of the Silver Purchase Act is a highly controversial one. I am not sure, to be perfectly frank with the House, as to how I, a member of this committee, would vote on the question of the Silver Purchase Act if brought up as legislation. However, here is an attempt in an appropriation bill on a matter of very great importance in this country and in the world today, to stop the operation of that act without real consideration being given to it.

I am inclined to think that on a matter of this sort the House owes it to the Members from all sections of the country who may be affected by this, who may have opinions of their own about it, to let those men be heard at a proper hearing and give them their day in court. The only way that can be done is for the legislative committee which brought out the bill for the purchase of silver, to consider that matter, after full hearings, giving everyone who is interested in the subject, everyone whose district and whose section of the United States is affected, ample opportunity to be heard. It is an unscientific way to write legislation by stopping an appropriation.

Just as an example of how far reaching this may be, I think this statement is true, that many of the functions of the Bureau of the Mint in acquiring and handling silver and of the Bureau of Engraving and Printing and issuing silver certificates are paid for out of the Treasury Department appropriation, paid for out of this part of the appropriation that we are now trying to strike. There is no man on this floor and not a member of the subcommittee who can state what this amendment would do as to the impairment of the functions of the Treasury Department if it were adopted.

The Under Secretary of the Treasury in a letter dated April 16 to the gentleman from Indiana [Mr. LUDLOW], chairman of the subcommittee, makes this statement:

This Department is of the opinion that if there is to be any change in the Government's silver purchase policy it should be accomplished by means of a more specific mandate, indicating clearly what is the intention of the Congress.

In fairness to our associates, in fairness to the parts of the country affected, in fairness to the entire situation, the proper way to do this is to let the legislative committee act upon it, and not attempt by means of an amendment on an appropriation bill to stop this great program which some believe in and some do not.

I hope that the motion of the gentleman from Indiana [Mr. LUDLOW] to recede and concur in the Senate amendment will be adopted, and then I will join with any others in urging the legislative committee to consider this matter and bring it before the House where all can be heard and where each may have his day in court.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. O'NEAL. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman will recall that prior to the change in the silver purchase policy about 3 years ago we were paying the same subsidy for all foreign silver as we were for all domestic silver. Then it was decided on the floor by an amendment that was offered and accepted, that we would no longer pay a subsidy on silver produced outside of the United States, but we would fix the price of domestic silver at 71 cents an ounce. There was no particular deliberation had by a legislative committee on that point, because the amendment came up on the floor and was accepted and was agreed to.

Mr. O'NEAL. That dealt with one phase of the subject, but the abolition of the entire work is certainly deserving of more consideration and the opportunity to be heard by every Member interested in the subject.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. LUDLOW. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Indiana.

The question was taken; and on a division (demanded by Mr. TABER) there were ayes 59 and noes 64.

Mr. LUDLOW. Mr. Speaker, I object to the vote on the ground that there is not a quorum present and I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 159, nays 194, not voting 80, as follows:

[Roll No. 64]

YEAS—159

Abernethy	Bland	Brown, Ga.
Anderson	Bloom	Bryson
N. Mex.	Bonner	Bulwinkle
Barrett	Boren	Burdick
Barry	Boykin	Burgin
Beckworth	Bradley, Pa.	Camp

Cannon, Fla.	Hendricks	O'Brien, Mich.
Cannon, Mo.	Hill	O'Connor
Capozzoli	Hobbs	O'Leary
Case	Hoch	O'Neal
Chapman	Hollifield	O'Toole
Chenoweth	Holmes, Wash.	Outland
Coffee	Horan	Pace
Cooper	Hull	Patman
Costello	Izac	Patton
Cox	Jackson	Peterson, Ga.
Crosser	Jarman	Price
Curley	Johnson	Priest
D'Aleandro	J. Leroy	Rabaut
Davis	Johnson	Ramspeck
Delaney	Luther A.	Rankin
Dickstein	Johnson	Rivers
Dilweg	Lyndon B.	Rockwell
Dingell	Johnson, Okla.	Rowan
Doughton	Kee	Russell
Drewry	Kefauver	Sadowski
Dworschak	Kelley	Sasser
Eberharter	Kerr	Sauthoff
Elliott	King	Scanlon
Englebright	Kirwan	Schuetz
Feighan	Larcade	Sheppard
Fernandez	Lesinski	Smith, W. Va.
Fisher	Ludlow	Snyder
Fitzpatrick	McCord	Sparkman
Flannagan	McCormack	Spence
Fogarty	McKenzie	Starnes, Ala.
Folger	McMillan	Steagall
Forand	McMurray	Stockman
Fulbright	Mahon	Sullivan
Fulmer	Maloney	Tarver
Gavagan	Manasco	Thomason
Gordon	Mansfield	Tolan
Gore	Mont	Vincent, Ky.
Gorski	Mansfield, Tex.	Voorhis, Calif.
Granger	Marcantonio	Ward
Grant, Ala.	Monroney	Welch
Green	Morrison, La.	West
Gregory	Murdock	Whitten
Hare	Murphy	Wickersham
Harless, Ariz.	Murray, Tenn.	Winstead
Harris, Ark.	Myers	Winter
Harris, Va.	Newsome	Woodrum, Va.
Hart	Norman	Zimmerman
Hays	Norton	
Hébert	O'Brien, Ill.	

#### NAYS—194

Allen, Ill.	Ellison, Md.	Kinzer
Allen, La.	Elston, Ohio	Kieberg
Andersen	Engel	Kunkel
H. Carl	Fellows	Landis
Anderson, Calif.	Fenton	Lane
Andresen	Gale	LeCompte
August H.	Gamble	LeFevre
Andrews	Gathings	Lewis
Angell	Gavin	Luce
Arends	Gerlach	McCowen
Arnold	Gifford	McGregor
Auchincloss	Gilchrist	McLean
Baldwin, Md.	Gillette	McWilliams
Bardeen	Gillie	Maas
Bates, Ky.	Goodwin	Martin, Iowa
Bates, Mass.	Gossett	Mason
Beall	Graham	Morrow
Bender	Grant, Ind.	Michener
Bennett, Mich.	Griffiths	Miller, Mo.
Bennett, Mo.	Gross	Miller, Nebr.
Bishop	Gwynne	Miller, Pa.
Blackney	Hale	Mills
Bolton	Hall	Monkiewicz
Bradley, Mich.	Edwin Arthur	Mruk
Brehm	Hall	Murray, Wis.
Brooks	Leonard W.	Norrell
Brown, Ohio	Halleck	O'Brien, N. Y.
Buffett	Hancock	O'Hara
Busbey	Harness, Ind.	Peterson, Fla.
Butler	Hartley	Phillips
Canfield	Heldinger	Pittenger
Carson, Ohio	Herter	Plumley
Carter	Hess	Poage
Celler	Hinshaw	Poulson
Chipperfield	Hoeven	Powers
Church	Hoffman	Ramey
Clark	Holmes, Mass.	Reece, Tenn.
Clason	Hope	Reed, Ill.
Clevenger	Howell	Reed, N. Y.
Cole, Mo.	Jenkins	Rees, Kans.
Colmer	Jennings	Richards
Compton	Jensen	Rizley
Cravens	Johnson	Robertson
Crawford	Anton J.	Robison, Ky.
Cunningham	Johnson	Rodgers, Pa.
Curtis	Calvin D.	Rogers, Mass.
Day	Johnson, Ind.	Rohrbough
Dewey	Johnson, Ward	Rolph
Ditter	Jones	Rowe
Domengeaux	Jonkman	Sabath
Dondero	Kean	Schiffler
Douglas	Kearney	Schwabe
Durham	Keefe	Shafer
Eaton	Kilburn	Sikes
Ellis	Kilday	Simpson, Ill.

Simpson, Pa.	Taber	Vursell
Slaughter	Talbot	Wadsworth
Smith, Maine	Talle	Wasielewski
Smith, Ohio	Taylor	Weichel, Ohio
Smith, Va.	Thomas, Tex.	Wheat
Smith, Wis.	Tibbott	Whittington
Springer	Towe	Wigglesworth
Stanley	Treadway	Willey
Stearns, N. H.	Troutman	Wilson
Stevenson	Van Zandt	Wolverton, N. J.
Sumner, Ill.	Vinson, Ga.	Woodruff, Mich.
Sundstrom	Vorys, Ohio	

## NOT VOTING—80

Baldwin, N. Y.	Guyer	O'Konski
Bell	Hagen	Pfeifer
Buckley	Heffernan	Phillips
Burch, Va.	Jeffrey	Ploeser
Burchill, N. Y.	Judd	Pracht
Byrne	Kennedy	Randolph
Carlson, Kans.	Keogh	Robinson, Utah
Cochran	Klein	Rogers, Calif.
Cole, N. Y.	Knutson	Satterfield
Cooley	LaFollette	Scott
Courtney	Lambertson	Sheridan
Creal	Lanham	Short
Culkin	Lea	Somers, N. Y.
Cullen	Lemke	Stefan
Dawson	Lynch	Stewart
Dies	McGehee	Summers, Tex.
Dirksen	McGranery	Thomas, N. J.
Disney	Madden	Weaver
Ellsworth	Magnuson	Weiss
Elmer	Martin, Mass.	Wene
Fay	May	Welch, Ga.
Fish	Merritt	White
Ford	Miller, Conn.	Wolcott
Furlong	Morrison, N. C.	Wolfenden, Pa.
Gallagher	Mott	Worley
Gearhart	Mundt	Wright
Gibson	Nichols	

So the motion was rejected.

The Clerk announced the following pairs:

Mr. Weiss for, with Mr. LaFollette against.  
Mr. White for, with Mr. Ploeser against.

## General pairs:

Mr. Cullen with Mr. Carlson of Kansas.  
Mr. McGehee with Mr. Fish.  
Mr. Worley with Mr. Short.  
Mr. Pfeifer with Mr. Baldwin of New York.  
Mr. Randolph with Mr. Lambertson.  
Mr. Buckley with Mr. Martin of Massachusetts.  
Mr. Burch of Virginia with Mr. Stefan.  
Mr. Keogh with Mr. Elmer.  
Mr. Dies with Mr. Thomas of New Jersey.  
Mr. Weaver with Mr. Knutson.  
Mr. Lynch with Mr. Culkin.  
Mr. Somers of New York with Mr. Wolfenden of Pennsylvania.  
Mr. Cochran with Mr. Guyer.  
Mr. Kennedy with Mr. Cole of New York.  
Mr. May with Mr. Wolcott.  
Mr. Klein with Mr. Ellsworth.  
Mr. Burchill of New York with Mr. Dirksen.  
Mr. Merritt with Mr. Scott.  
Mr. Cooley with Mr. Miller of Connecticut.

The result of the vote was announced as above recorded.

The doors were opened.

Mr. LUDLOW. Mr. Speaker, I move that the House insist on its disagreement to Senate amendment No. 1.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 2: Page 4, line 13, strike out "\$3,100,000" and insert "\$3,800,000."

Mr. LUDLOW. Mr. Speaker, I move that the House recede from its disagreement with Senate amendment No. 2 and concur in the same.

The SPEAKER. The gentleman from Indiana is recognized for 1 hour.

Mr. LUDLOW. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I have moved to recede and concur in this Senate amendment, which would give to the activity known as Foreign Funds Control \$700,000 more for the fiscal year 1944 than was provided in the bill as it passed the House. Let us study for a moment the picture of this appropriation.

The appropriation for foreign funds control for the current fiscal year 1943 is \$5,000,000.

The Budget estimated \$4,350,000 would be required in 1944.

The House committee cut that appropriation by a quarter of a million dollars to \$4,100,000.

On the floor of the House it was slashed another million dollars and brought down to \$3,100,000.

The Senate raised the amount to \$3,800,000.

The amount appropriated by the House is \$1,900,000 below the appropriation for 1943.

The amount appropriated by the Senate is \$1,200,000 below the appropriation for 1943.

If the Senate figures are accepted the appropriation will still be \$550,000 below the amount the Budget considered necessary to conduct this control during the next fiscal year.

This appropriation for foreign-owned property control finances the Treasury Department's program of financial and economic warfare. The program is carried on by the Foreign Funds Control in Washington in cooperation with the 12 Federal Reserve banks, acting as field agents of the control, and the 15,000 private financial institutions in the United States. Foreign Funds Control was set up in April 1940, after the invasion of Denmark and Norway, to handle the freezing control of foreign-owned assets in this country. The control now extends to the assets of 35 foreign countries totaling over \$8,500,000,000.

The list of these countries you will find set forth on page 72 of the hearings on this bill. All of these controls except one are involuntary. China requested to be placed under the control and that was done at the request of that Government.

The assets include gold, securities, currency, bank deposits, and many other types of tangible and intangible property. Transactions involving any of these assets are subject to review and licensing by the Treasury Department to insure that the transactions are in the national interest.

A very elaborate system of licensing has been adopted involving both general and special licenses. If you will examine the record, page 74, you will find that this control has voluntarily reduced its own expenditures and has cut down its personnel drastically in both Washington and in the field. It has cut its expenditures almost in half since its peak which occurred during the months immediately following Pearl Harbor when it was expending at the annual rate of over

\$9,000,000. During the fiscal year 1943 it will spend approximately \$5,000,000.

The Treasury Department has this to say in regard to the drastic cut imposed by the House:

The proposed House reduction of \$1,250,000 in the 1944 appropriation for Foreign Funds Control would mean crippling the Government's effectiveness in economic and financial warfare. The activities of Foreign Funds Control in cutting off trade and communication with the Axis and Axis sympathizers, in breaking down enemy-controlled international cartels, in preventing the Axis from cashing in on looted securities and currency, in enforcing the blacklist and preventing enemy financial transactions, and in assisting the Army in financial and property-control matters in occupied areas have been described in detail before both committees. No one can foresee the precise military consequences of relaxing these controls. It is clear, however, that the proposed House reduction, coming on top of the stringent economy measures that have been taken voluntarily during the past 15 months, could be made only by substantial elimination of major activities. If the \$3,800,000 figure passed by the Senate is agreed upon, every effort will, of course, be made to live within it. But even the adequacy of this figure will depend largely upon the course of the war during 1943-44.

The Foreign Funds Control is closely tied in with the war effort and an inseparable part of it. As the United Nations move into conquered territory, Foreign Funds Control moves with them. The Control now has a force in Africa. Invasion of Europe, which may be expected at any time, would mean a sudden and rapid expansion of the Control. It is not safe to wait until such invasion takes place. It must be anticipated and plans must be made in advance. As the war progresses, Foreign Funds Control is continually being assigned new projects of financial and economic control.

The question was raised on the floor of the House whether the establishment of the office of Alien Property Custodian results in the duplication of any operations of Foreign Funds Control. The President, by an Executive order on July 7, 1942, clearly delineated the respective functions and responsibilities of Foreign Funds Control and the Alien Property Custodian. Representatives of each agency appeared before the subcommittee of the House Committee on Appropriations and demonstrated that there is no overlapping or duplication of effort.

I want to call attention at this point to what Senator GEORGE, chairman of the Senate Finance Committee, stated at page 64 of the Senate hearings on this bill. Senator GEORGE is very closely in touch with the activities of Foreign Funds Control. Senator GEORGE said:

The Foreign Funds Control appropriation is not used for the same purpose nor is it overlapping with the Alien Property Custodian. They deal with altogether different matters.

Foreign Funds Control will be unnecessarily crippled and irretrievable damage may be done to the national effort unless the Senate provision is adopted and I sincerely hope that my motion to recede and concur will be adopted.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. LUDLOW. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this is an effort on my part to continue to save \$700,000 that was saved in the House on this item. Here is the picture: As the Alien Property Custodian was set up, all the business activities of these aliens were transferred to the Alien Property Custodian and that reduced the activities of the Foreign Funds Control much more than the amount involved represented. The cut this year below last year is only from \$5,000,000 to \$3,800,000 in the Senate; in the House it was a cut to \$3,100,000.

The activities were cut more than that. The personnel cut will be approximately 400 out of 1,600 in the Foreign Funds Control, but we were presented with this picture: People living in this country whose property was affected would have to go before the Foreign Funds Control in New York and have a hearing for a week and then the same people on the same subject would have to go to Chicago and spend a week before the Alien Property Custodian because this Foreign Funds Control outfit insisted on doing something that they had not any business having anything to do with, and that is the way they were using all the help they had, they were doing things that had been taken out of their jurisdiction. It is a good deal of a burden upon any property that is in the hands of the Government as a trustee to have two outfits monkeying around with it where there ought to be only one. A part of the operation of cutting this appropriation was for the purpose of getting rid of that kind of activity.

Then there were some people approached in New York by this outfit and they were asked what their politics was. When they said their relatives were Republicans they began to ride them. I do not like that way of doing business. The fellow who was sent out to do that job could pretty well be eliminated and save some money to the Federal Treasury.

Their activity has been cut probably 50 percent by taking away the business enterprises. The only new activities that they have had are small activities in north Africa, where they told us they had eight or nine on the pay roll. They tried to make out at first it was a big job, then when we got down to the number of people involved there were only eight or nine. There is also one small operation in South America, where they have a very, very small number of people involved. For the life of me, I cannot see, nor can any intelligent person who wants to do the fair thing, why they should have more than \$3,100,000. I think it is a very liberal amount and we should not go any further.

Mr. SAUTHOFF. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wisconsin.

Mr. SAUTHOFF. I want to get a little information. I notice that there are

\$8,500,000,000 taken over in this control of foreign assets. Does not the management of that money pay for itself?

Mr. TABER. It does not in the Foreign Funds Control because Foreign Funds Control is a separate proposition, or supposed to be, from the Alien Property Custodian. The Alien Property Custodian does pay for itself.

Mr. SAUTHOFF. Why should not this fund pay for itself if we manage it for them?

Mr. TABER. It should. The only thing is this: There are certain neutral countries and certain allied countries, such as the Netherlands, where there are some monies in this country and where we are decidedly in the nature of a trustee because of our situation.

Mr. SAUTHOFF. There is also Axis money involved?

Mr. TABER. There is Axis money and that should go, and it is supposed to go, to the Alien Property Custodian. That is subject to a fee.

The trouble is that these people are not doing the job they are supposed to do but they are trying to do the job of the Alien Property Custodian. The result is a serious duplication of effort, therefore they can get along with less money. On top of that all of the business activities have been taken over by the Alien Property Custodian and their activities have been reduced at least 50 percent. With a cut such as they have been given they can get along and do everything that they need to do without having an opportunity to do those things that they should not do and without having the opportunity of having more people on the pay roll than there is any possible excuse for. I want to see them have money enough to do the job, but I hate to see them get a great deal more. I am sure that these people can do their job with what the House provided. We had them before us after the rumors of a lot of these things came up and they made a rather pitiful showing, telling a big story about their activities, then when we got down to the personnel that was required for that activity, you could count them on the fingers of one or two hands.

There is no excuse in this situation for any more money than the \$3,100,000 which the House appropriated and I hope that the House will refuse to agree to the motion offered by the gentleman from Indiana [Mr. Ludlow] to increase this amount \$700,000, which will be utterly and entirely wasted for no good purpose.

The SPEAKER. The time of the gentleman has expired.

Mr. LUDLOW. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Speaker, as a member of the Committee on Ways and Means very much concerned with the fiscal affairs of the Government, I have had occasion to look into this matter of Foreign Funds Control, and it occurs to me that as a matter of good business this appropriation should be approved in at least the amount provided in the Senate amendment.

The appropriation for Foreign Funds Control for the fiscal year 1944 has been reported by the joint conference com-

mittee in disagreement between the figures of \$3,800,000 and \$3,100,000. The Budget Bureau estimated that \$4,350,000 would be required for this appropriation, and it was originally approved by the House Appropriations Committee in the amount of \$4,100,000. This figure was set by the committee after searching hearings on the work of the agency and the distinction between its activities and that of other Government agencies. However, on the floor of the House an amendment was adopted reducing the appropriation by \$1,000,000. After hearings before the Senate committee, the appropriation was approved by the Senate in the amount of \$3,800,000, after which the conference committee disagreed.

This appropriation for Foreign Funds Control finances the Treasury Department's economic and financial warfare programs. In essence, the purpose of these programs is to prevent the enemy from getting and utilizing funds for military campaigns, propaganda, sabotage, and other subversive activities throughout the world. Adequate financing is just as necessary to the enemy as tanks and ships and guns. Foreign Funds Control is the main agency of the Government concerned with combating the enemy on the financial front.

Inside the United States there exist over \$8,000,000,000 in assets owned by foreigners subject to Axis rule which the enemy would like to use. Foreign Funds Control insures not only that these billions are unavailable to the Axis but also that they are used constructively for the benefit of our war effort. Outside the United States the enemy is trying to cash in on the great loot of American dollars, dollar securities, diamonds, and other valuables seized from invaded countries. Foreign Funds Control by rigid scrutiny of transactions prevents the enemy from effectively using these resources against us. The Control regulates foreign exchange transactions passing through the world-important United States markets to make certain the enemy cannot benefit. It drives the enemy out of business in Latin America. It ferrets out Axis financial fronts, uncovers Axis control of American assets and American firms, and applies effective sanctions to insure that such activities cannot continue.

To date these programs of financial control have apparently been successful. One indication of this lies in the fact that whereas after the last war the Germans boasted they had had tens of millions of dollars in this country for their spies and agents, in this war the eight recently captured saboteurs were forced to bring in their money on their persons because all internal sources had been cut off by Foreign Funds Control.

Because of the importance of the Foreign Funds Control program to the war effort it is felt that any curtailment necessitated by inadequate funds would be a mistake. During the current fiscal year the program requires an expenditure of slightly over \$5,000,000. A reduction to \$3,800,000 would require a substantial curtailment. Any reduction beyond that figure, however, would seriously cripple the Control's economic and financial warfare activity. Because billions of

dollars are at stake in this financial warfare, any such further reduction for want of a minimum appropriation would be false economy.

Mr. Speaker, the function of this agency is not only to provide for the necessary supervision and control over eight and one-half billion dollars in this country belonging to foreigners that our enemies now want to get the use of, but this agency also has to take care of the situation in all of the areas where our fighting men are now engaged.

In the invasion of north Africa, when our forces entered there, agents of the Foreign Funds Control Agency had to advance right along with them. General Clark, who had to be provided a large sum of money to carry out and successfully discharge his important mission there, was assisted by this agency.

It seems to me this is an important part of this great war effort. There should be no doubt that at least the amount of money this agency says is the minimum with which it can function should be provided. I certainly hope the motion of the gentleman from Indiana is adopted.

Mr. LUDLOW. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. O'NEAL].

Mr. O'NEAL. Mr. Speaker, it is perfectly true, as the gentleman from Tennessee has said, that is a war activity. Let there be no mistake about it. The work of this Foreign Funds Control is a very important job dealing with the war. It is a matter that has far-reaching implications.

You cannot always tell what you have accomplished by way of prevention, but in my opinion, this group—and I think this is so, verified by the record—has had a great deal to do with the prevention of possible loss by sabotage and all the horrors that go with it.

It appears to me that this agency has been economical. I was impressed by the fact that in their testimony they were asking for less than what they had asked for before. Last year they had \$6,253,000. This year we cut them \$250,000, to \$4,100,000. The Committee of the Whole cut that amount to \$3,100,000, and this amount has been increased by the Senate to \$3,800,000.

The gentleman from Tennessee has described the general functions of this agency. During the last war we did not have this sort of control, consequently we had a great deal of sabotage and destruction of life and destruction of property.

Mr. TABER. If the gentleman will yield, we had the Alien Property Custodian, and instead of having small amounts of property under that control they had many times the amount of alien property that this outfit has.

Mr. O'NEAL. The fact remains that the Attorney General of the United States has stated publicly that during the 14 months we have been engaged in the war and during the 3½ years the present war has been in progress there have been no acts of sabotage in the United States. As appears in the testimony in the Senate hearings in 1922, the German Government spent \$27,000,000 in the United

States during the last war for propaganda, subversive activities, sabotage, and espionage. These funds were made available to the German Government from foreign-owned assets in the United States.

During this war, as quickly as the foreign-owned assets in this country could be taken over they have been taken over by the Foreign Funds Control, \$8,500,000,000, as the gentleman from Tennessee said, and it is remarkable to note that there has been no sabotage in the United States, unless the recent incident at Elkton might be put in that category. Somebody has done a very good job on this, and I am inclined to think it is largely due to the Foreign Funds Control.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Tennessee.

Mr. COOPER. The important thing to bear in mind is that the Alien Property Custodian and the Foreign Funds Control have entirely different functions to perform.

Mr. TABER. That is just it. They should be made to keep that way.

Mr. COOPER. They do keep that way.

Mr. TABER. No.

Mr. COOPER. The record shows it.

Mr. TABER. It shows the opposite.

Mr. O'NEAL. The Alien Property Custodian manages foreign businesses that are taken over here, which is an entirely different job from this. They take a foreign-owned factory in this country, a German- or Axis-owned factory, and manage it, and incidentally charge for it. By negotiation with the Foreign Funds Control there has been established a direct and distinct separation of duties. There is no overlapping. They perform a different type of work entirely.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. LUDLOW. Mr. Speaker, I yield 2 additional minutes to the gentleman from Kentucky.

Mr. O'NEAL. With reference to the employment, over \$1,000,000 of this sum is for employees in the Federal Reserve banks of this country. They are doing the Foreign Funds Control work. There are 1,269 persons employed under these estimates in this country and the rest of the world, over and above the employees in the Federal Reserve banks.

As the gentleman from Tennessee has said, we have done a most important job through the Foreign Funds Control when going into new countries like North Africa. The whole story is outlined in the Senate hearings. Let us hope that we are going into some other countries. The only agency to do this job as we advance, and let us hope that we do, is the Foreign Funds Control. That is the reason I started my statement by saying it is a war activity of greatest importance. I think we should back up the motion of the gentleman from Indiana to recede and concur.

Mr. VORYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. The gentleman certainly does not mean to say to this

House that such sabotage as has been prevented in the whole United States owes its prevention to this little organization. Is the gentleman leaving out the F. B. I.?

Mr. O'NEAL. Do not tell the gentleman what he should say. I will tell you what the gentleman said: That Germany had \$27,000,000 in this country for sabotage purposes during the last war and there was great sabotage, but during this war the Foreign Funds Control has seized all the German money that was here and prevented its use. I cannot say they have prevented all of the sabotage but I say that money is necessary to perform sabotage, and if they have controlled practically all of it, \$8,500,000,000—

Mr. VORYS of Ohio. If they have it under control now.

Mr. O'NEAL. They have left very little for the German agents to use here. The Germans even had to send \$175,000 over from abroad with the saboteurs, and that was seized. When it was seized, there was no money for the saboteurs to operate on.

Mr. VORYS of Ohio. Does the gentleman mean to give the impression that that agency was responsible for the lack of sabotage?

Mr. O'NEAL. The gentleman has said twice and will say it again, if the gentleman from Ohio does not understand—

Mr. VORYS of Ohio. I understand.

Mr. O'NEAL. That if you impound the money, whoever does it, so that they have no money to operate with, you will certainly reduce sabotage. The testimony is that they did impound this money and therefore it was not used. You can say who did it or who did not do it.

I trust the motion will be agreed to.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. LUDLOW. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Speaker, in what I shall say with respect to the operations of the Foreign Funds Control, I hope I shall not be construed as deprecating the work of this organization. I do not think that is the issue before the House, and I regret that the distinguished gentleman from Tennessee [Mr. COOPER] and the distinguished gentleman from Kentucky [Mr. O'NEAL] in characteristic manner—that is, characteristic of arguments here on the floor of the House—have seen fit to obscure the issue, rather than to clarify it. No one challenges the necessity for the Foreign Funds Control. It was set up immediately after Pearl Harbor, and they spent in that year about \$9,000,000. No one questions that it did a fine job. No one questions that there is a job to be done now. They went out and seized these foreign funds, and then a row developed between this organization and the Alien Property Custodian as to the exact limits of their various functions. Some of us on this committee pretty well understand the background of that little battle between Foreign Funds Control and the Alien Property Custodian, and at least so far as it appears on the surface each organization has retained its function. The Alien Property Custodian has taken

over all the work of operating and managing foreign business. It has taken that away from the Foreign Funds Control that first froze those assets and caused them to spend \$9,000,000 in their first year of operation. But their work has been receding rather than growing greater. It is true that they make the statement that every time they go into a foreign country they have to have a set-up and we are giving them the money to do that.

The simple question here is, Should you give them \$4,100,000, or should you give them \$3,800,000, or will they be able to perform their function with \$3,100,000? I submit that a reading of the testimony of these gentlemen before the Senate committee will disclose that they do not need \$3,800,000 to perform their function. I want the Foreign Funds Control group to be able to carry on their important work, which I do not deny is important. The simple question is, Should we just recklessly say, this is a war activity, a great activity, and, therefore, we should give them whatever they ask? Their work is receding, it is not growing, it is tapering off. There may be an opportunity for some question. Some compromise between \$3,100,000 and \$3,800,000. There may be an opportunity for some compromise, but I feel that the House having voted on this once, the matter should be sent back to conference, and let us survey this situation just a little more in the hope that we can carry out our real function as Members of Congress passing on these questions, and try to save a little bit of money.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. LUDLOW. Mr. Speaker, I yield the gentleman 2 minutes more.

Mr. VORYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. Was there any evidence before the committee, or does the gentleman know of any evidence, which will substantiate the proposition that it was this outfit that is responsible for the lack of sabotage in this war, and not the F. B. I. or the security agencies of the Army and the Navy and the other vast organizations for which we have appropriated?

Mr. KEEFE. May I say this, that the gentleman who testified on this subject testified before the Senate committee and drew the conclusion that his organization was in large measure responsible for the lack of sabotage in this country, by pointing out the fact that in the last World War German agents had control of \$27,000,000 of money in this country, and that because they had seized Axis-controlled funds in this country this time, and there is no sabotage, therefore the conclusion is inevitable that the reason there is no sabotage is because they seized the funds, and that is all there is to it. It is an argument around a circle. There may be some truth in the matter, but I do not believe the conclusion is inevitable that the lack of sabotage is due merely to the work of this organization.

Mr. VORYS of Ohio. If that argument is sound then, since we have foreign funds under control, we could follow through the argument by appropriating nothing for this organization or for the F. B. I. or anything else, because having the German money in hand, we are safe.

Mr. KEEFE. I do not think that is exactly the situation. I do not want to stop this organization entirely.

Mr. O'NEAL. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. Yes.

Mr. O'NEAL. The gentleman has made a clear statement, and if the gentlemen will read the Senate hearings they will find what the individual referred to said, and how much he can claim credit for. I am not attempting to state, but I do know that we have had little sabotage and that there is some reason for it.

Mr. KEEFE. I have this suggestion to make. I am just as much interested as any man on this committee to see that Foreign Funds Control group has sufficient funds to work with, and I for one am not willing to be swayed by an emotional appeal, that, because it is claimed this is a war effort, we must therefore lose all sense of proportion, all sense of judgment, and just give this agency anything it asks. We should send this thing back to the conference committee, and somewhere between \$3,100,000 and \$3,800,000 something can be agreed upon in further conferences between the Houses.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has again expired.

Mr. LUDLOW. Mr. Speaker, just one word in conclusion. The gentleman says that the work of this activity is receding. I do not believe he has read carefully the hearings on the bill. If you turn to page 72 of the printed hearings you will get some idea of the monumental task that confronts the Foreign Funds Control.

The total value of blocked property is about \$8,500,000,000. You will find that these are some of the financial operations that this control has to administer:

Short-term funds, including earmarked gold, \$4,000,000,000.

Securities, \$2,000,000,000.

Direct investments and miscellaneous investments, \$2,000,000,000.

Blocked national revenue in the United States, \$500,000,000.

I cannot conceive that that can be done without reasonable personnel to handle the matter. I think it would be a tremendous mistake to cut down this activity.

Mr. TABER. Will the gentleman yield for a question?

Mr. LUDLOW. I yield.

Mr. TABER. The gentleman understands, does he not, the short term fund item of \$4,000,000,000, or half of the job, has already been completely done, and that all of the business properties are out from under the control of these people, and that means that more than half, altogether, of this eight and one-half billion is off the board. So that is the meat of the situation.

Mr. LUDLOW. I think the gentleman is mistaken. This set-up is the work that this activity has to perform.

I would like to call attention a little further along in the hearings, to the distribution of blocked properties; the Netherlands, \$1,800,000,000; Switzerland, \$1,500,000,000; and so on down the line. Germany, \$150,000,000. It was developed in our hearings that a large amount of the blocked property in Switzerland, \$1,500,000,000, while it purports on its face to be Swiss property, is probably camouflaged Nazi property.

If you will look over the tremendous volume of work that is to be done by this activity, then I think it ought to be perfectly plain to everybody that the amount which the House appropriated is far too little. Even the amount allowed by the Senate probably is below the actual need and the chances are that if we provide the higher amount allowed by the Senate a deficiency appropriation will be required before the fiscal year 1944 ends.

If you will turn to page 74 of the hearings you will find how they have been voluntarily reducing their personnel. On the basis of the Budget estimates they have set up for 1944, 1,120 permanent personnel as against 1,205 in 1943 and 1,287 in 1942. So they are voluntarily reducing their personnel and the Senate amendment, which is much below the Budget, would require further personnel reductions. Necessarily there will have to be considerable additional reduction of personnel if we accept the Senate figures. Now, in heaven's name, how far are you going to go toward cutting this activity so that they cannot function? It is one of the most important activities in connection with the war because it has to go into every country when we take over and set up its organization there. If we have an invasion of Europe, as we all hope before long, its duties will be tremendously multiplied. It is next to insanity to cut this amount down. No one believes in economy more ardently than I do but I do not believe in cutting appropriations for necessary, vital activities without rhyme or reason.

Mr. DWORSHAK. Will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. DWORSHAK. If the gentleman will turn to page 2 of the hearings conducted before the Senate Appropriations Committee he will find the following:

Immediately following Pearl Harbor, which was the peak of the work of the Foreign Funds Control, it was spending at an annual rate of over \$9,000,000. During the fiscal year 1943 it will spend approximately \$5,000,000.

So that it is obvious that the work has receded to the extent that it has justified about a 50-percent reduction.

I contend that under those circumstances it is reasonable to assume that the work will continue to recede.

Mr. LUDLOW. The gentleman stopped reading a little too soon. If the gentleman will just read a little further, he will find this:

Its work load is expected to continue during 1944 at approximately the same level as at present.

Mr. DWORSHAK. But they have still recommended an additional reduction in view of that statement.

Mr. LUDLOW. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Indiana.

The question was taken; and on a division (demanded by Mr. LUDLOW) there were ayes 46 and noes 90.

Mr. LUDLOW. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 144, nays 195, not voting 94, as follows:

[Roll No. 65]

YEAS—144

Abernethy	Grant, Ala.	O'Brien, Mich.
Allen, La.	Green	O'Connor
Anderson, N. Mex.	Gregory	O'Neal
Baldwin, Md.	Hare	Outland
Barden	Harris, Ark.	Pace
Barry	Harris, Va.	Patman
Beckworth	Hays	Peterson, Fla.
Bland	Hendricks	Peterson, Ga.
Bonner	Hobbs	Price
Boykin	Hoch	Priest
Bradley, Pa.	Hollifield	Rabaut
Brooks	Izac	Ramspeck
Brown, Ga.	Jackson	Richards
Bryson	Jarman	Rivers
Bulwinkle	Johnson	Robertson
Burgin	Luther A.	Rowan
Camp	Johnson, Okla.	Russell
Cannon, Fla.	Lyndon B.	Sabath
Cannon, Mo.	Kee	Sadowski
Celler	Kefauver	Sasser
Chapman	Kelley	Scanlon
Clark	Kerr	Schuetz
Coffee	Kilday	Sheppard
Cooper	Kirwan	Sikes
Costello	Kieberg	Slaughter
Cravens	Lane	Smith, Va.
Crosser	Larcade	Smith, W. Va.
Curley	Lesinski	Snyder
D'Alesandro	Ludlow	Sparkman
Davis	McCord	Spence
Delaney	McCormack	Starnes, Ala.
Dingell	McGranery	Steagall
Domeneaux	McKenzie	Sullivan
Doughton	McMurray	Tarver
Drewry	Mahon	Thomas, Tex.
Eberhart	Maloney	Thomason
Elliott	Manasco	Vincent, Ky.
Feighan	Mansfield	Vinson, Ga.
Fernandez	Mont	Voorhis, Calif.
Fitzpatrick	Mansfield, Tex.	Ward
Flannagan	Marcantonio	Weaver
Fogarty	May	Whitten
Folger	Morrison, N. C.	Whittington
Forand	Murdock	Wickersham
Gavagan	Murphy	Winstead
Gordon	Murray, Tenn.	Woodrum, Va.
Gore	Myers	Zimmerman
Gorski	Norton	
Granger	O'Brien, Ill.	

NAYS—195

Allen, Ill.	Brown, Ohio	Ditter
Andersen, H. Carl	Burdick	Dondero
Anderson, Calif.	Busbey	Douglas
Andrews	Butler	Dworshak
Angell	Canfield	Eaton
Arends	Carson, Ohio	Ellis
Arnold	Carter	Ellison, Md.
Auchincloss	Case	Elmer
Barrett	Chenoweth	Elston, Ohio
Bates, Ky.	Chipfield	Engel
Bates, Mass.	Church	Englebright
Beall	Clason	Fellows
Bender	Clevenger	Fenton
Bennett, Mich.	Cole, Mo.	Fisher
Bennett, Mo.	Colmer	Gale
Bishop	Compton	Gamble
Blackney	Crawford	Gathings
Bolton	Cunningham	Gavin
Boren	Curtis	Gerlach
Bradley, Mich.	Day	Gifford
Brehm	Dewey	Gilchrist
	Dilweg	Gillette

Gillie	Kinzer	Robison, Ky.
Goodwin	Knutson	Rockwell
Gossett	Kunkel	Rodgers, Pa.
Graham	Lambertson	Rogers, Mass.
Grant, Ind.	Landis	Rohrbough
Griffiths	LeCompte	Rolph
Gross	LeFevre	Rowe
Gwynne	Lewis	Sauthoff
Hale	Luce	Schliffier
Hall	McCowan	Shafer
Edwin Arthur	McGregor	Simpson, Ill.
Hall	McLean	Simpson, Pa.
Leonard W.	McMillan	Smith, Maine
Halleck	McWilliams	Smith, Ohio
Hancock	Maas	Smith, Wis.
Harness, Ind.	Martin, Iowa	Springer
Hartley	Mason	Stanley
Heidinger	Michener	Stearns, N. H.
Hess	Miller, Mo.	Stevenson
Hill	Miller, Nebr.	Stockman
Hinshaw	Miller, Pa.	Sumner, Ill.
Hoeven	Mills	Sumners, Tex.
Hoffman	Monkiewicz	Sundstrom
Holmes, Mass.	Monroney	Taber
Holmes, Wash.	Morrison, La.	Talle
Hope	Mruk	Tibbott
Horan	Mundt	Towe
Howell	Murray, Wis.	Treadway
Jeffrey	Newsome	Troutman
Jenkins	Norman	Van Zandt
Jennings	Norrell	Vorys, Ohio
Jensen	O'Brien, N. Y.	Vursell
Johnson	O'Hara	Wadsworth
Anton J.	Pittenger	Wasilewski
Johnson	Plumley	Welch, Ohio
Calvin D.	Poage	Welch
Johnson, Ind.	Poulson	West
Johnson, Ward	Powers	Wheat
Jones	Ramey	Wigglesworth
Jonkman	Rankin	Willey
Kean	Reece, Tenn.	Wilson
Kearney	Reed, Ill.	Winter
Keefe	Reed, N. Y.	Wolverton, N. J.
Kilburn	Rees, Kans.	Woodruff, Mich.
	Rizley	

NOT VOTING—94

Andresen	Furlong	O'Konski
August H.	Gallagher	O'Leary
Baldwin, N. Y.	Gearhart	O'Toole
Beil	Gibson	Patton
Bloom	Guyer	Pfeifer
Buckley	Hagen	Philbin
Buffett	Harless, Ariz.	Phillips
Burch, Va.	Hart	Ploesser
Burchill, N. Y.	Hébert	Pracht
Byrne	Heffernan	Randolph
Capozzoli	Herter	Robinson, Utah
Carlson, Kans.	Johnson	Rogers, Calif.
Cochran	J. Leroy	Satterfield
Cole, N. Y.	Judd	Schwabe
Cooley	Kennedy	Scott
Courtney	Keogh	Sheridan
Cox	King	Short
Creal	Klein	Somers, N. Y.
Culkin	LaFollette	Stefan
Cullen	Lanham	Stewart
Dawson	Lea	Talbot
Dickstein	Lemke	Taylor
Dies	Lynch	Thomas, N. J.
Dirksen	McGehee	Tolan
Disney	Madden	Weiss
Durham	Magnuson	Wene
Ellsworth	Martin, Mass.	Whelchel, Ga.
Fay	Merritt	White
Fish	Morrow	Wolcott
Ford	Miller, Conn.	Wolfenden, Pa.
Fulbright	Mott	Worley
Fulmer	Nichols	Wright

So the motion was rejected.

The Clerk announced the following pairs:

Mr. Bloom for, with Mr. Short against.  
Mr. Fulbright for, with Mr. Martin of Massachusetts against.  
Mr. Keogh for, with Mr. Ploesser against.  
Mr. Weiss for, with Mr. Schwabe against.  
Mr. Cullen for, with Mr. Carlson of Kansas against.

General pairs:

Mr. McGehee with Mr. Fish.  
Mr. Dies with Mr. Thomas of New Jersey.  
Mr. Pfeifer with Mr. Baldwin of New York.  
Mr. Randolph with Mr. Pracht.  
Mr. Kennedy with Mr. Guyer.  
Mr. Lanham with Mr. Dirksen.  
Mr. Buckley with Mr. Miller of Connecticut.  
Mr. Cochran with Mr. August H. Andresen.

Mr. Heffernan with Mr. Culkin.  
Mr. Worley with Mr. Lemke.  
Mr. Merritt with Mr. Wolcott.  
Mr. Creal with Mr. Stefan.  
Mr. O'Leary with Mr. Ellsworth.  
Mr. Burch of Virginia with Mr. Cole of New York.

Mr. Burchill of New York with Mr. LaFollette.

Mr. O'Toole with Mr. Wolfenden of Pennsylvania.

Mr. Disney with Mr. Taylor.  
Mr. Klein with Mr. Scott.  
Mr. Patton with Mr. Hagen.  
Mr. Lynch with Mr. Gallagher.

The result of the vote was announced as above recorded.

The doors were opened.

Mr. LUDLOW. Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate No. 2.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 8: Page 13, line 5, change the period to a colon and insert "Provided further, That field employees of the War Savings Staff may be reimbursed, at not to exceed 3 cents per mile, for travel performed by them in privately owned automobiles while engaged in the promotion of the sale of United States Government securities (estimated War Savings bonds) within the limits of their official stations."

Mr. LUDLOW. Mr. Speaker, I send to the Clerk's desk a motion to be read.

Mr. TABER. Mr. Speaker, that has been agreed to by both sides.

The SPEAKER. The Clerk will report the motion of the gentleman from Indiana.

The Clerk read as follows:

Mr. LUDLOW moves that the House recede from its disagreement to the amendment of the Senate, No. 8, and concur in the same with an amendment as follows: In the first line of said amendment after the word "That" insert the word "regular."

Mr. LUDLOW. Mr. Speaker, as the gentleman from New York [Mr. TABER] has stated, that amendment is agreed to by the entire conference committee.

For the information of the House I would like to state briefly what it provides.

The restoration of this proviso would materially assist the War Savings staff in the performance of its duties in many large cities, as, for example, the cities of Chicago, Philadelphia, Boston, Los Angeles, and San Francisco. Employees of the War Savings Staff assigned to these territories are required to hold several meetings daily in connection with the installation of pay-roll savings plans in industrial plants. If these employees could be permitted to use their own cars, on a reimbursable basis, a serious loss of time could be avoided. A similar proviso has already been approved by Congress with respect to certain other agencies, the F. B. I., for instance. It applies to the United States marshals, and the same provision is included in a number of appropriation bills; so the committee has agreed, as the gentleman from New York [Mr. TABER] and I have stated, and is unanimously in favor of this amendment.

Mr. Speaker, inasmuch as there is a unanimous agreement on this amendment, I move the previous question.

The previous question was ordered.

The amendment was agreed to.

The SPEAKER. The Clerk will read the next amendment in disagreement.

Mr. TABER. Mr. Speaker, with reference to amendments Nos. 17 and 18, inasmuch as they relate to the same subject matter they should be considered together because there is no point to 17 unless 18 is agreed to.

Mr. LUDLOW. I am advised there is some doubt whether it can be handled in that way. On No. 17 we are going to move to recede and concur with an amendment. The two could hardly be grouped together.

The SPEAKER. The Clerk will read the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 17. Page 34, line 7, insert after the word "account": "including the employment of a temporary expert by contract or otherwise without regard to section 3709 of the Revised Statutes, or the civil service and classification laws, for the purpose of making studies of the cost, rating, and accounting procedures of the postal service."

Mr. LUDLOW. Mr. Speaker, I send a motion to the desk.

The Clerk read as follows:

Mr. LUDLOW moves that the House recede from its disagreement to the amendment of the Senate, No. 17, and concur in the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert the following: "including the employment of three temporary experts by contract or otherwise without regard to section 3709 of the Revised Statutes, or the civil service and classification laws, for the purpose of making studies of the cost, rating, and accounting procedures of the postal service."

Mr. LUDLOW. Mr. Speaker, I yield myself 5 minutes.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. McCORMACK. Will the gentleman from New York advise as to the remaining items that appear to be in controversy?

Mr. TABER. As I understand it, this item including an increase of \$166,000 is in controversy. The argument against it will be made by the gentleman from Iowa [Mr. JENSEN].

Amendment No. 26 will probably be controversial, especially if a motion is made to recede and concur. That is the \$70,000,000 penalty mail proposition. In my opinion it should be kept in the bill. The Committee on the Post Office and Post Roads undertook to say to us that they would bring in legislation to meet the situation, but this has not been done and the situation is crying for correction. We will have to have a vote on that.

I would suggest that amendments Nos. 17 and 18 be considered together, because a vote on one would cover both.

Mr. McCORMACK. In other words, if I understand the matter correctly, there is liable to be some controversy. It is now 20 minutes past 4 and we have a number of special orders pending. We

might as well look at this thing rationally and if we cannot get through at a reasonable hour tonight let it go over until tomorrow, for I know the Members have a great deal of work to do in their offices; I know I have a great deal to do in my office, and I know what the other Members will do with the balance of the time today.

There are at least two controversial items, Nos. 18 and 26. There may be some controversy over those, in order for those who are opposed to items 18 and 26 to protect their position on them. Is that correct?

Mr. TABER. That is correct.

Mr. McCORMACK. We have two fights and a semifight, as I understand it, as 17 and 18 are linked up together?

Mr. TABER. Yes.

Mr. McCORMACK. I can see where those who oppose 18 are forced to the position of probably opposing 17. Then if 18 should be concurred in by the House, item 17 should be concurred in in accordance with the motion made.

Mr. LUDLOW. I think the gentleman is correct. If it is desirable to adjourn now, I think it would be best to adjourn probably before we take up No. 17 because it is absolutely interrelated and connected up with No. 18. It is entirely agreeable to me to pause at this time.

Mr. McCORMACK. That is the thought I had in mind. It is very apparent that we have at least 2 hours' debate and probably two roll calls and there are special orders.

Mr. HOFFMAN. I was also thinking of a question of personal privilege, after the special orders are out of the way.

Mr. McCORMACK. In view of that, if Members on both sides have no objection, we might as well suspend. I do not want to take anybody off their feet. Is that agreeable to the gentleman from Indiana [Mr. LUDLOW]?

Mr. LUDLOW. I may say to the gentleman that is entirely agreeable to me, and it seems to me that is the sensible thing to do.

Mr. KEEFE. Mr. Speaker, I shall be compelled to object if a unanimous-consent request is made. I see no reason why we should not proceed to finish this matter up. If there are special orders, they are special orders and necessarily follow this business, and it seems to me it will not take us an hour to finish this work.

Mr. McCORMACK. The gentleman from Wisconsin does not undertake to put the gentleman from Massachusetts in the position of wanting to protect the special orders alone. I am simply saying you are going to have 2 hours' debate anyway. Do not worry about that. You are going to have two roll calls. I do not think my friend from Wisconsin wants to interfere with the House proceeding under those circumstances. I was hoping we would suspend consideration of this conference report and then let the special orders proceed rather than to go on and have 2 or 3 hours' debate.

Mr. DINGELL. Why not put it to a vote of the House whether we are going to stay here or not? I am not willing to

permit one man to tell me whether I am going to stay here or not.

Mr. McCORMACK. The gentleman from Michigan realizes that I am trying to get everyone together. We can do things together. The House is very tolerant. I just want to protect those who have special orders.

The SPEAKER. The time of the gentleman from Indiana [Mr. LUDLOW] has expired.

Mr. TABER. Mr. Speaker, will it be the program tomorrow to go on with this and finish it when the House adjourns tonight? Will it be the program to go on and finish it tomorrow?

Mr. McCORMACK. That is up to the chairman of the subcommittee. Of course, tomorrow is another day.

Mr. TABER. I understand, but the membership is anxious to know about what the program will be if we adjourn.

Mr. McCORMACK. The program tomorrow will be that this bill, as I understand it, would be in order. It would be the order of business, if it is called up.

Mr. LUDLOW. That is, if it is called up.

Mr. McCORMACK. Unless the House adjourns.

Mr. MICHENER. Am I correct in assuming that if this bill is completed tonight, the House will adjourn over until Monday? If the bill is not completed tonight, it will be completed tomorrow and the House will then adjourn, after completion of this bill tomorrow, until Monday.

Mr. McCORMACK. If the bill is completed tonight I cannot guarantee that we would adjourn over until Monday. I was hopeful that we would be able to adjourn from Friday to Monday, though.

Mr. ENGLEBRIGHT. As I understand it, if we adjourn until tomorrow and finish the bill tomorrow the gentleman anticipates there will be a couple of roll calls in the meantime?

Mr. TABER. There is not any question but what there will be at least one roll call on amendments to this bill.

Mr. HOFFMAN. Is the adjournment so that they can get the majority Members in?

Mr. TABER. I do not know anything about that.

Mr. McCORMACK. My friend from Michigan always is so nice in undertaking to assist everybody else.

The SPEAKER. The Chair suggests that if some kind of an arrangement cannot be made privately, the House proceed with the matter in hand.

Mr. JENSEN. Mr. Speaker, I would like the floor if the gentleman is through.

Mr. LUDLOW. Mr. Speaker, I am not through. I have not even started.

The SPEAKER. The gentleman from Indiana [Mr. LUDLOW] will proceed.

Mr. LUDLOW. Mr. Speaker, this provision inserted in the bill by the Senate would give the Postmaster General a small cost-ascertainment unit whereby he would be enabled to get some line on the costs of the various services rendered by the Postal Establishment.

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from South Dakota.

Mr. CASE. I understood the gentleman to say that this was to give the Postmaster General a small sum. We have heard it said that this amendment is related to amendment No. 18, and apparently by the report, there is a difference of \$166,000 or \$167,000.

Mr. LUDLOW. I will explain that to the gentleman as I go along.

Mr. CASE. What I should like the gentleman to explain is the small sum to which he refers of \$166,000 or \$167,000.

Mr. LUDLOW. The small sum I referred to is \$1,702. That is all in the world there will be above the appropriation that is being used now for that purpose.

Mr. CASE. Then does the gentleman expect on amendment No. 18 to ask for only \$1,700?

Mr. LUDLOW. No; we ask for \$300,000, which would be only \$1,702 more per annum than has been used for cost-ascertaining purposes, which has been paid out of the mail transportation fund. It is proposed to reorganize the Service and set up a new unit under the Bureau of Accounts. That will withdraw it from the Third Assistant Postmaster General, who has heretofore been in charge of this unit, and will transfer it from his bureau over to the Bureau of Accounts.

Mr. CASE. If the gentleman's proposal were only to ask for \$1,700 there probably would not be a great deal of contest about it, but if it is \$166,000 there will be.

Mr. LUDLOW. I do not propose to ask for \$1,702. I am merely making a statement of fact as to what this unit will cost under the Senate amendment in excess of what it costs this year under the old dispensation. The excess would be \$1,702.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from Iowa.

Mr. JENSEN. Then do we correctly understand that if this amendment is agreed to it will have no effect whatever on amendment No. 18?

Mr. LUDLOW. No, that is not correct. No. 18 is an integral part of this proposition. Amendment No. 18 would have to follow if this amendment No. 17 is adopted, and \$300,000 would be carried in the bill.

Mr. JENSEN. Does the gentleman mean that if amendment No. 17 is adopted it would affect amendment No. 18?

Mr. LUDLOW. Amendment No. 18 is necessary to implement No. 17 with funds to carry on. Let me read my statement, and I think the matter will be cleared up.

Heretofore the Department has made cost surveys under a system known as cost ascertainment which has been paid for out of the appropriation for railroad transportation of the mails. The Postmaster General, after a careful study of the methods followed and the results obtained, has determined that the old system is not producing accurate information and that it is possible to revamp the whole program along modern cost accounting lines thereby securing

definite, accurate data which will be most useful in proper administration of the Postal Service which is a billion-dollar-a-year business.

Cost ascertainment surveys have heretofore been handled by the office of the Third Assistant Postmaster General. That survey has now been discontinued and it is proposed to set up the new program in the Bureau of Accounts. The amount expended on cost ascertainment in 1942 was \$164,658 and the proposal for 1944 involves a cost of \$166,360, an increase of only \$1,702. The elimination of the cost-ascertaining system was taken into account in reducing the railroad transportation item in the bill which shows a reduction of \$3,000,000 below 1943.

This item was reduced by \$166,360 by the House when the bill was on the floor.

Postmaster General Walker, on page 91 of the Senate hearings, says:

We find ourselves in the position that here we are doing a business of \$900,000,000 a year and I have been unable to find out what it costs to handle first-, second-, third-, and fourth-class mail, what it costs to handle registered mail, or the Special Delivery service, or air mail.

He would not now have the information on which to recommend any change in postal rates. It is due to him that we provide him this facility which he so much needs and which can be done with an increased cost of only \$1,702. He has in mind not to exceed three experts to assist him. One of these has been comptroller of the American Telephone & Telegraph Co. and another is assistant comptroller of the Guarantee Trust Co.—page 93, Senate hearings. The expenditures for management personnel in the Post Office Department amount to only six-thousandths of a dollar for each dollar of postal expenditures—Senate hearings, page 92.

Surely the Postmaster General, the head of the greatest business in the world, is entitled to an infinitesimal sum to enable him to establish a dependable cost-ascertaining unit. Let us concede to him that small measure of encouragement in the discharge of his arduous duties.

Mr. GORE. Mr. Speaker, will the gentleman yield for a unanimous-consent request?

Mr. LUDLOW. I yield to the gentleman from Tennessee.

Mr. GORE. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

#### RECIPROCAL TRADE AGREEMENTS ACT

Mr. GORE. Mr. Speaker, in considering extension of the reciprocal trade-agreements program, we are debating not only a fundamental post-war problem in a very concrete sense, but an issue immediately fraught with momentous war implications. The principles of cooperation with other nations inherent in this program constitute not only the basis for what post-war understandings the United States has made, but, what is

of perhaps more immediate essentiality, they are the fundamentals upon which the United States has based its World War No. 2 political offensive in proclaiming abroad that a United Nations' victory would bring a better world for all peoples "of like mind" as well as for the victors.

Repudiation of the trade-agreements program or nullification by restrictive amendment at this critical time would surely undermine world confidence in the nobility of our war aims. It would notify the world that because of shifting party politics, the United States did not have, and apparently could not have, a sustained foreign policy, either economic or political; that the United States Congress was already back on an isolationist tack. This would do incalculable damage to our war effort.

On the other hand, extension of the program would indicate Congress' willingness to extend and participate in international cooperation, at least to this limited extent.

I believe one cannot study the history of wars nor be cognizant of the intangible elements inherent in the present global conflict without reaching the conclusion that political and psychological offensives are important corollaries to successful military action. Indisputably, this kind of an offensive is sometimes phenomenally successful. For instance, President Wilson's famous 14 points are now universally acknowledged to have had a tremendous effect on the outcome of World War No. 1. For more recent examples, look at the propaganda efforts of our enemies in this war.

Today, in an effort to offset Axis propaganda, our own Government is undertaking to tell the world's teeming millions that a United Nations' victory would be a good thing for the world. In other words, our foreign broadcast spokesmen and foreign information writers are daily and nightly pledging a better, more cooperative world if we win; that we want to be a good neighbor and make peace secure. Knowing full well that Congress has the final say in the sphere of foreign affairs, the Government has been quite circumspect in its foreign propaganda program and has carefully based it upon those principles of international cooperation previously approved by Congress.

Through the Atlantic Charter and in the lend-lease agreements, we have made material headway by a combination of executive and legislative action in holding out to the world an opportunity of broader economic and political cooperation. The basic principles of international economic cooperation inherent in the reciprocal-trade-agreements program have been embodied in the lend-lease agreements entered into between the United States and our many allies, and they are apparent also in the Atlantic Charter.

In these agreements, the United States has agreed that in the final determination—

The terms and conditions thereof shall be such as not to burden commerce between the two countries and to promote mutually advantageous economic relations between them and the betterment of world relations.

And let me remind you, Mr. Speaker, that since the signing of these agreements, the Congress has extended the Lend-Lease Act. By these agreements, we have further agreed with the United Nations that the final agreements shall include provisions—

open to participation by all other countries of like mind, directed to the expansion \* \* \* of production, employment, and the exchange \* \* \* of goods \* \* \* and to the elimination of all forms of discriminatory treatment in international commerce and to the reduction of tariffs and other trade barriers.

These are brave words, and they express high hopes. But our allies and other nations, too, are looking to our decision on the extension of the trade-agreements program as an indication of how seriously or lightly we regard these promises and agreements.

The post-war question paramount in America's mind, and I dare say foremost in the minds of the world's humanity, is how to make peace secure. This question cannot be resolved, as some people seem to think, merely by whether the United States joins some sort of a league of nations. To be sure, a step of this nature may be necessary, but such membership alone will not be sufficient and, at best, could only be a beginning. There must be cooperation between nations to remove the causes of war. To be successful, any such international undertaking must include the United States which, if we are victorious, will occupy a world position, both economically and politically, of dazzling preeminence. The United States cannot for very long, nor can any other nation in this world of shrunken space and time, be either prosperous or secure in peace in a world spiritually, economically, and politically bankrupt.

So, in a very real sense, upon this bill we will make an elementary choice between economic cooperation between nations, which is a necessary foundation upon which to build a structure of international political cooperation and peace, on the one hand, and extreme economic isolationism, a blind alley which the between-war period has proved stupid and disastrous, on the other. This decision will vitally affect the war which, may I remind you, is not yet won even in Europe, to say nothing of Japan.

The most important issue involved in this decision is its international and immediate war implications. Surely, this is a field in which partisanship can be set aside. I ask my Republican colleagues whom I know to be patriotic, whom I know to be anxious to make every contribution toward victory, to regard the extension of the reciprocal-trade-agreements program as being a vital part of the war effort and to consider it on a nonpartisan basis. I plead with you not to jeopardize our international understandings at this crucial moment, not to destroy world confidence, an important ally, in the nobility of our intentions after victory, not to drive even our allies into a reconstruction of the age-old European abomination, balance of power.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield for a motion?

Mr. LUDLOW. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The colloquy we have had shows that it will probably be 2½ or 3 hours before we can complete the consideration of this conference report.

Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 33 minutes p. m.) the House adjourned until tomorrow, Friday, May 7, 1943, at 12 o'clock noon.

#### MOTION TO DISCHARGE COMMITTEE

MARCH 5, 1943.

To the CLERK OF THE HOUSE OF REPRESENTATIVES:

Pursuant to clause 4 of rule XXVII, I, VITO MARCANTONIO, move to discharge the Committee on Rules from the consideration of the resolution (H. Res. 131) entitled "A resolution to make H. R. 7, a bill making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers," a special order of business, which was referred to said committee February 23, 1943, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

1. Vito Marcantonio.
2. Grant Furlong.
3. Warren G. Magnuson.
4. Homer D. Angell.
5. James M. Fitzpatrick.
6. Andrew L. Somers.
7. Sol Bloom.
8. James A. O'Leary.
9. Usher L. Burdick.
10. James F. O'Connor.
11. John M. Coffee.
12. Harold C. Hagen.
13. Richard Welch.
14. Alvin E. O'Konski.
15. Samuel Dickstein.
16. George H. Bender.
17. Howard Buffett.
18. George G. Sadowski.
19. Louis J. Capozzoli.
20. Joseph A. Gavagan.
21. John J. Delaney.
22. William L. Dawson.
23. Adolph J. Sabath.
24. William A. Rowan.
25. Martin Gorski.
26. Thomas S. Gordon.
27. Thomas O'Brien.
28. James H. Fay.
29. John Lesinski.
30. Charles R. Clason.
31. Matthew J. Merritt.
32. Jennings Randolph.
33. John C. Butler.
34. Ray J. Madden.
35. Arthur G. Klein.
36. Thomas D'Alesandro.
37. Charles A. Wolvertton.
38. Louis Ludlow.
39. James J. Heffernan.
40. Joseph Mruk.
41. Thomas H. Cullen.
42. Walter A. Lynch.
43. Thomas F. Bunchill.
44. Ed Rowe.
45. Henderson H. Carson.
46. Charles N. LaFollette.
47. Joseph Clark Baldwin.

48. Edward J. Hart.
49. Emanuel Celler.
50. Daniel Ellison.
51. Ralph E. Church.
52. Eugene J. Keogh.
53. Winifred C. Stanley.
54. Charles S. Dewey.
55. Noble J. Johnson.
56. Thomas E. Scanlon.
57. Clare Boothe Luce.
58. Reid F. Murray.
59. Harry Sauthoff.
60. Joseph J. O'Brien.
61. Karl Stefan.
62. Edwin A. Hall.
63. Cecil R. King.
64. Christian A. Herter.
65. George D. O'Brien.
66. John D. Dingell.
67. A. C. Schiffer.
68. Elmer H. Wene.
69. Charles L. Gerlach.
70. James P. McGranery.
71. Homer A. Ramey.
72. Leonard W. Schuetz.
73. William T. Byrne.
74. Frances P. Bolton.
75. Harry L. Englebright.
76. W. A. Pittenger.
77. John D. McWilliams.
78. Ranulf Compton.
79. Fred C. Gilchrist.
80. J. Glenn Ball.
81. B. J. Monkiewicz.
82. Bernard W. Kearney.
83. Francis J. Myers.
84. Augustine B. Kelley.
85. Fred A. Hartley, Jr.
86. Walter E. Brehm.
87. John Jennings, Jr.
88. Henry M. Jackson.
89. Evan Howell.
90. Frank A. Barrett.
91. Jesse P. Wolcott.
92. E. M. Dirksen.
93. Samuel A. Weiss.
94. Compton I. White.
95. Calvin D. Johnson.
96. Fred E. Busbey.
97. William J. Miller.
98. William E. Hess.
99. D. K. Hoch.
100. Philip J. Philbin.
101. Stephen A. Day.
102. J. Harry McGregor.
103. Marion T. Bennett.
104. Walter H. Judd.
105. Thomas J. Lane.
106. C. W. Bishop.
107. William S. Hill.
108. Earle D. Willey.
109. Earl Wilson.
110. Richard T. Gale.
111. Mike Mansfield.
112. D. Lane Powers.
113. Gordon Canfield.
114. J. W. Robinson.
115. Chet Holifield.
116. John M. Vorys.
117. Maurice J. Sullivan.
118. Melvin J. Maas.
119. John E. Fogarty.
120. Charles A. Buckley.
121. Leonard W. Hall.
122. Carroll Reece.
123. William B. Barry.
124. Donald L. O'Toole.
125. Robert Crosser.
126. Charles H. Elston.
127. Will Rogers, Jr.

128. John Edward Sheridan.  
 129. Joseph L. Pfeifer.  
 130. Carl T. Curtis.  
 131. Edith Nourse Rogers.  
 132. Harry P. Jeffrey.  
 133. Martin J. Kennedy.  
 134. William Lemke.  
 135. Edward O. McCowen.  
 136. Leo E. Allen.  
 137. P. W. Griffiths.  
 138. J. Buell Snyder.  
 139. James C. Auchincloss.  
 140. C. W. Vursell.  
 141. Aime J. Forand.  
 142. Gerald Landis.  
 143. Deal P. Taylor.  
 144. Fred Norman.  
 145. George E. Outland.  
 146. Mary T. Norton.  
 147. W. P. Lambertson.  
 148. Herman Eberharter.  
 149. Hamilton Fish.  
 150. Paul Cunningham.  
 151. George W. Gillie.  
 152. W. G. Andrews.  
 153. John Phillips.  
 154. John H. Tolan.  
 155. Michael J. Kirwan.  
 156. Louis E. Miller.  
 157. Norris Poulson.  
 158. Harve Tibbott.  
 159. Joe L. Smith.  
 160. Henry C. Dworshak.  
 161. Jerry Voorhis.  
 162. Foster Stearns.  
 163. Michael J. Bradley.  
 164. J. M. Robsion.  
 165. R. B. Chipfield.  
 166. Raymond S. Springer.  
 167. William W. Blackney.  
 168. Paul W. Shafer.  
 169. Michael A. Feighan.  
 170. W. H. Wheat.  
 171. Sid Simpson.  
 172. Dewey Short.  
 173. Charles B. Hoeven.  
 174. Charles A. Plumley.  
 175. Robert A. Grant.  
 176. Angier L. Goodwin.  
 177. Chester H. Gross.  
 178. Merlin Hull.  
 179. Ivor D. Fenton.  
 180. Robert L. Rodgers.  
 181. James E. Van Zandt.  
 182. Thomas F. Ford.  
 183. W. K. Granger.  
 184. William I. Troutman.  
 185. William C. Cole.  
 186. Howard J. McMurray.  
 187. H. Carl Andersen.  
 188. Anton J. Johnson.  
 189. John B. Bennett.  
 190. Albert J. Engel.  
 191. James A. Wright.  
 192. Clarence J. Brown.  
 193. John W. Murphy.  
 194. Frank B. Keefe.  
 195. John Kee.  
 196. Lansdale G. Sasscer.  
 197. U. S. Guyer.  
 198. Ed. V. Izac.  
 199. Ben F. Jensen.  
 200. Francis E. Walter.  
 201. Albert E. Carter.  
 202. J. W. Ditter.  
 203. R. B. Wigglesworth.  
 204. James Gallagher.  
 205. Hugh D. Scott, Jr.  
 206. Louis C. Rabaut.  
 207. Walter C. Ploeser.

208. George J. Bates.  
 209. Carl Hinshaw.  
 210. J. Roland Kinzer.  
 211. Thomas A. Jenkins.  
 212. Roy O. Woodruff.  
 213. Margaret Chase Smith.  
 214. Clinton P. Anderson.  
 215. James M. Curley.  
 216. Earl R. Lewis.  
 217. Lawrence H. Smith.  
 218. A. M. Fernandez.

This motion was entered upon the Journal, entered in the CONGRESSIONAL RECORD with signatures thereto, and referred to the Calendar of Motions to Discharge Committees, May 6, 1943.

#### COMMITTEE HEARINGS

##### COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

As advised in notice of March 10, 1943, Congressman BATES of Massachusetts, patron of the bill H. R. 1766, upon which hearings were scheduled on April 8, 1943, is a member of the Committee on Naval Affairs and of a subcommittee of that committee which has arranged a schedule of hearings throughout the country, which will compel Congressman BATES of Massachusetts to be absent from Washington on April 8 and also April 15.

The chairman of the committee and the Commissioner of Fisheries will be out of town on intervening dates which will necessitate a further postponement of the hearing until May 13, 1943. You are hereby notified that the hearings scheduled for April 8, and postponed until April 15, have been postponed to May 13, 1943, at 10 a. m., at which time the hearings will follow.

##### COMMITTEE ON THE JUDICIARY

Subcommittee No. 3 of the Committee on the Judiciary will conduct hearings on H. R. 2139, to provide improvement in the administration of parole, and H. R. 2140, to provide a correctional system for adult and youth offenders convicted in courts of the United States, at 10 a. m., on Tuesday and Wednesday, May 18 and 19, 1943, in Room 346, House Office Building, Washington, D. C.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

399. A communication from the President of the United States, transmitting a supplemental estimate of appropriation, totaling \$137,400, for the Department of Agriculture for the fiscal year 1943 (H. Doc. No. 194); to the Committee on Appropriations and ordered to be printed.

400. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel and certain Federal civil employees for personal property lost or damaged as a result of the hurricane and flood at Parris Island, S. C., on August 11-12, 1940," approved April 23, 1941; to the Committee on Claims.

401. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to provide for the disposal of materials

or resources on the public lands of the United States which are under the exclusive jurisdiction of the Secretary of the Interior; to the Committee on the Public Lands.

402. A letter from the War Food Administrator, Department of Agriculture, transmitting a draft of a proposed bill to amend the act known as the Perishable Agricultural Commodities Act, 1930 (46 Stat. 531), approved June 10, 1930, as amended; to the Committee on Agriculture.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KNUTSON: Committee on Ways and Means. Minority views on House Joint Resolution 111. Joint resolution to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended; without amendment (Rept. No. 409, pt. 2). Referred to the Committee of the Whole House on the state of the Union.

Mr. CLARK: Committee on Rules. House Resolution 224. Resolution for the consideration of H. R. 1291, a bill to amend the Nationality Act of 1940; without amendment (Rept. No. 420). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 225. Resolution for the consideration of H. R. 1295, a bill to amend the Nationality Act of 1940 to preserve the residence for naturalization purposes of certain aliens who serve in the military or naval forces of one of the allied countries during the Second World War, or otherwise assist in the allied war effort, and for other purposes; without amendment (Rept. No. 421). Referred to the House Calendar.

Mr. COX: Committee on Rules. House Resolution 226. Resolution for the consideration of H. R. 1941, a bill permitting the naturalization of certain persons not citizens whose sons or daughters have served with the land or naval forces of the United States; without amendment (Rept. No. 422). Referred to the House Calendar.

Mr. NICHOLS: Committee on Rules. House Resolution 227. Resolution for the consideration of House Joint Resolution 111, a joint resolution to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended; with an amendment (Rept. No. 423). Referred to the House Calendar.

Mr. BRADLEY of Pennsylvania: Committee on Naval Affairs. H. R. 2581. A bill authorizing the acquisition and conversion or construction of certain landing craft, district craft, and special boats for the United States Navy, and for other purposes; with amendment (Rept. No. 424). Referred to the Committee of the Whole House on the state of the Union.

Mr. MANSFIELD of Texas: Committee on Rivers and Harbors. H. R. 1403. A bill to authorize the acquisition, improvement, and maintenance of the Gulf County Canal, Florida; with amendment (Rept. No. 425). Referred to the Committee of the Whole House on the state of the Union.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PITTENGER: Committee on Claims. S. 134. An act for the relief of the heirs of John J. Shields; without amendment (Rept.

No. 410). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 807. An act for the relief of Mary Frances Hutson; without amendment (Rept. No. 411). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 255. A bill for the relief of Col. E. H. Tarbutton; with amendment (Rept. No. 412). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 304. A bill for the relief of J. E. Martin; with amendment (Rept. No. 413). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 560. A bill for the relief of the Farrell-Argast Electric Co.; without amendment (Rept. No. 414). Referred to the Committee of the Whole House.

Mr. CARSON of Ohio: Committee on Claims. H. R. 1344. A bill for the relief of Paul W. Busbey, Mrs. Paul W. Busbey, Paula Busbey, and Mrs. Louisa Busbey; with amendment (Rept. No. 415). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 1907. A bill for the relief of Anthony J. Leiberschal; with amendment (Rept. No. 416). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 2299. A bill conferring jurisdiction upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment upon the claims of W. M. Hurley and Joe Whitson; without amendment (Rept. No. 417). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 2360. A bill for the relief of J. P. Harris; with amendment (Rept. No. 418). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 2544. A bill for the relief of Bessie Myers; with amendment (Rept. No. 419). Referred to the Committee of the Whole House.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ELLIOTT:

H. R. 2641. A bill to authorize the acquisition by exchange of certain lands for addition to the Sequoia National Park; to the Committee on the Public Lands.

By Mr. GATHINGS:

H. R. 2642. A bill to amend the Criminal Code to provide that certain strikes and other concerted refusals to work shall constitute insurrection against the United States and be punishable as such; to the Committee on the Judiciary.

By Mr. HARTLEY:

H. R. 2643. A bill to protect the rights of citizens of the United States against the abuse of power by any officer or employee of any department or independent agency of the Federal Government; to the Committee on the Judiciary.

By Mr. HEBERT:

H. R. 2644. A bill to grant additional powers to the Commissioners of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. MILLER of Nebraska:

H. R. 2645. A bill to amend the Interstate Commerce Act, to provide for the establishment of a uniform classification and a uniform scale of class rates for railroad freight, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BRADLEY of Pennsylvania:

H. Res. 229. Resolution providing for the consideration of H. R. 2581, a bill authorizing the acquisition and conversion or construc-

tion of certain landing craft, district craft, and special boats for the United States Navy, and for other purposes; to the Committee on Rules.

By Mr. KELLEY:

H. Res. 230. Resolution authorizing the Committee on Labor to conduct and investigate the extent and character of aid now given by the Federal, State, and local governments and private agencies to the physically handicapped, and for other purposes; to the Committee on Rules.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Delaware, memorializing the President and the Congress of the United States to amend the Constitution of the United States relative to taxes on incomes, gifts, and inheritances; and providing limitations on taxes so levied; and repealing the sixteenth amendment to the Constitution of the United States; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to study and formulate plans for enforcement of world peace through international cooperation and a council of nations; to the Committee on Foreign Affairs.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUGUST H. ANDRESEN:

H. R. 2646. A bill for the relief of the Winona Machine & Foundry Co., a corporation of Winona, Minn.; to the Committee on Claims.

By Mr. KIRWAN:

H. R. 2647. A bill for the relief of Mrs. Mary Boyle; to the Committee on Claims.

By Mr. CURTIS:

H. R. 2648. A bill for the relief of Avid Evers; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

675. By Mr. ROHRBOUGH: Petition of Rose Beeghley and 33 other citizens of Lewis, Harrison, and Barbour Counties, W. Va., urging the passage of House Resolution No. 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

676. Also, petition of Daisy G. Reger and 19 other citizens of Lewis, Harrison, and Upshur Counties, W. Va., urging the passage of House Resolution No. 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

677. Also, petition of R. P. Swisher and 13 other citizens of the city of Weston, W. Va., urging the passage of House Resolution No. 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or transporta-

tion of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

678. Also, petition of T. J. Hinzman and 21 other citizens of the city of Weston, W. Va., urging the passage of House Resolution No. 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

679. By Mr. MCGREGOR: Petition of the undersigned citizens of Ohio to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization, hereby petition the Congress of the United States to pass House bill 2082, introduced by Hon. JOSEPH BRYSON, of South Carolina; to the Committee on the Judiciary.

680. By Mr. MOTT: Petition signed by Hilda Warman and 55 other citizens of Philomath, Oreg., urging the passage of the Bryson bill (H. R. 2082); to the Committee on the Judiciary.

681. Also, petition signed by Inez Huyette and 19 other citizens of Corvallis, Oreg., urging the passage of the Bryson bill (H. R. 2082); to the Committee on the Judiciary.

682. By Mr. FISH: Petition from 20 residents of Middletown, N. Y., petitioning for the passage of House bill 2082, a measure to prohibit the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

## HOUSE OF REPRESENTATIVES

FRIDAY, MAY 7, 1943

The House met at 12 o'clock noon.

The Clerk read the following communication:

THE SPEAKER'S ROOM,  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., May 7, 1943.

I hereby designate Hon. JOHN W. MCCORMACK to act as Speaker pro tempore today.

SAM RAYBURN,  
Speaker of the House.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord God, whose kingdom is from everlasting to everlasting, bless us with the significance of these moments; let there be deep feeling and solemnity in all hearts. Endue us with those quiet, crowning comforts which come from an applauding voice within. Forbid that we should lament even mutely about the labors with which our days are entwined. Inspire us to be morning-souled, reflecting the sacrificial law of our Saviour who has taught us to bear one another's burdens.

Heavenly Father, we pray that Thou wilt clothe us with a strong adjunct of power, sincerity, and honest conviction. War, with its drenching storms of hate, nakedness and death, with its deeply tragic scenes, has a strange fascination to obey the instinct of honor and chivalry. Motherhood today challenges the